FBIS DAILY REPORT

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FOREIGN MINISTRY DENOUNCES UK LACK OF GOOD FAITH

PY080125 Buenos Aires TELAM in Spanish 0103 GMT 8 May 82

[Text] Buenos Aires, 7 May (TELAM) -- The Argentine Government has denounced the lack of good faith by the United Kingdom which, despite declaring its interest in negotiations and in achieving a peaceful solution, has contradicted its stated intentions and created situations that seriously undermine the possibilities of holding negotiations. The above statement is included in a communique released tonight by the San Martin Palace in relation to the recent recent decision by the United Kingdom to blockade the entire Argentine coast up to a 12-mile limit, thus virtually extending the war zone to the entire South Atlantic. The following is the text of the Foreign Ministry communique:

As reported earlier, the Republic of Argentina has agreed to the UN secretary general's initiative aimed at finding a peaceful solution to its conflict with Great Britain in the South Atlantic. Consequently, the Argentine Government dispatched Foreign Ministry Under Secretary Enrique Ros to New York to contact that senior international official.

While that has been happening, Great Britain has shown that the negotiations in the forum indicated will not prevent the taking of military actions it deems necessary. Moreover, after accepting the mediation of the secretary general, the United Kingdom decided to extend the blockade to within 12 miles of the Argentine coastline, thus practically transforming the entire South Atlantic area into a war zone.

This expansion of the zone of hostilities represents another supplementary escalation of the conflict for which, while declaring an interest in negotiations to reach a peaceful solution, contradicts itself by adopting attitudes counter to its stated intentions by creating situations that seriously impair any possibility of negotiation. The Argentine Government has communicated the abovementioned facts to the UN Security Council and to the consultative organ of the Inter-American Reciprocal Assistance Treaty for them to act accordingly.

Notes to United Nations, OAS

PY072331 Buenos Aires TELAM in Spanish 2235 GMT 7 May 82

[Text] Washington, 7 May (TELAM) -- Through separate notes delivered to the United Nations and the OAS, the Argentine Government this afternoon denounced "the British Government's irresponsible decision of extending its maritime and air blockade in the South Atlantic crisis area." The notes came as a response to the British announcement of its decision to regard as hostile any Argentine military aircraft or warship that may be found by British units outside 12 nautical miles off the Argentine coast.

"This illegal measure is a further act of aggression that endangers the security of the Republic of Argentina," the notes said. They added that this irresponsible decision was made by the British Government at the very moment in which the UN secretary general is making efforts to promote a peaceful settlement of the conflict.

"This measure adopted by the British Government reveals once again its inclination toward a military solution and its desire to jeopardize the present diplomatic option being channeled through the UN secretary general." they added.

The notes concluded by stating that the Argentine Government holds the British Government responsible for the consequences stemming from the application of this measure and that the Republic of Argentina expressly reserves the right to adopt defensive measures it may deem appropriate under Article 51 of the UN Charter. Article 51 refers to the use of force for legitimate defense.

COSTA MENDEZ REMARKS CAUSE SURPRISE IN COUNTRY

PY092042 Paris AFP in Spanish 2005 GMT 9 May 82

[Text] Buenos Aires, 9 May (AFP) -- Argentine diplomatic and military circles today received with surprise and perplexity the remarks made by Foreign Minister Nicanor Costa Mendez that recognition by Great Britain of Argentine sovereignty over the Malvinas was not a prior condition to eventual negotiations. Apparently the Argentine foreign minister made these remarks to a U.S. television network.

Gustavo Figueroa, cabinet chief of the Argentine Foreign Ministry, said without comment that any negotiation must inevitably lead to recognition of Argentine sovereignty over the islands.

Costa Mendez, whose schedule today was overloaded, could not be contacted immediately to confirm or deny these remarks, which in Argentine diplomatic and military circles are being considered a U.S. version of his words.

An official at the Foreign Ministry said that at first sight it does not seem probable that the foreign minister would have made such remarks and that, if he had to make them, it is less probable that he would have made them to the foreign press first and to U.S. television in particular.

FOREIGN MINISTER PRAISES SUPPORT OF ALL PEOPLE

PY091525 Buenos Aires Domestic Television Service in Spanish 1234 GMT 9 May 82

[Interview with Foreign Minister Costa Mendez on "24 Horas de las Islas Malvinas" -- live]

[Excerpt] [Question] We must first express our gratitude to Your Excellency because we know you came to our studios to tape a program to be aired via satellite for the United States and agreed to visit us for a while. I think the [joint staff] communique [33] we heard a few minutes ago is too important for us to comment on, since we have here the appropriate person to do so.

[Answer] Well, first of all I would like to express tremendous satisfaction at being here with you and seeing this Argentine feeling, which is very important, really very important, because the Malvinas cause is the cause of the nation; the cause of the Malvinas is a cause of Argentina, the cause of all Argentine generations since 1833, and will be the cause of Argentine generations that will come after us and who will thank us for having recovered for the national territory, our dear Malvinas Islands. Moreover, the Argentine cause is becoming a cause of America, and this is shocking the world; and it will increasingly become the cause of all those who in one way or another have suffered injustice around the world.

Our people are a peaceful nation. Argentina is not interested in defeating Great Britain. Argentina is only interested in justice being accomplished regarding the islands; that its sovereignty over the Malvinas be recognized. This is our main objective. Argentina is not a bellicose country. Argentina does not want to carry the war beyond what is strictly necessary. Argentina only wants, no more and no less, that the Malvinas Islands be recognized as belonging to Argentina. [cheers, applause]

[Question] Oh, that is very beautiful, Mr Foreign Minister. We have been here now 12 hours in the company of these people, and with you we are now completing 13 hours, and now suddenly in your company after all these hours, Mr Foreign Minister, and this makes us feel sad at not being able to do something more with this tremendous Argentine commitment.

Through reports, through your activities and trips which we follow step by step, minute by minute, all Argentines are aware of the latest details of each of the steps you have taken and all the steps taken by all Argentine diplomats and the armed forces. So at this point we would like to know, for example, if you thought, on planning this operation, that the Argentine people would respond in the manner in which they have responded.

[Answer] I never had the least doubt. I am very optimistic. I never had the least doubt about the possible reaction of the Argentine people. The unity of the people, in this case, the confidence in their banner and the confidence in their rights have given us a tremendous boost at the national level.

Was it said at first that it was a government cause? No. This is the cause of a nation, and not merely the whimsical cause of a nation today; but it has always been the nation's cause. And this, put in this manner, with total simplicity, has prevailed in Washington for total success at the OAS, and also gained the success of international opinion, which is increasingly favoring Argentina, because it is a simple, genuine and heroic cause, a cause with a conviction which proves its worth and which truly convinces.

[Question] Mr Foreign Minister, running the risk of being imprudent, what will our foreign policy be after what happened today in the Malvinas Islands?

[Answer] Our policy is to negotiate. In this very difficult situation, Argentina is facing two fronts because a war implies two things: military action and political action. The political action is carried out by the diplomats, and the military action by the armed forces. Thus in an intimate union we negotiate based on what the armed forces accomplish. But I repeat: Argentina is a peaceful nation. Argentina does not want to shed any more blood than necessary. Argentina wants to negotiate until its rights are recognized. It wants a honorable and just peace. [applause]

You have said there is no hatred in Argentina. We are carrying in our innermost hearts the happiness at the recovery of what is ours, and that happiness makes us enormously superior to negotiate and to achieve peace, because we have the generosity given the fact of recovering what is ours. We do not want to go beyond that. Argentina has never used its weapons to conquer foreign land. On the contrary, it has lost territory.

[Question] And Argentina has used its weapons for the freedom of other countries.

[Answer] Exactly.

[Question] And how have those countries responded today?

[Answer] Those countries remembered history and responded affirmatively. And this is cause for great happiness too. The gratitude of American countries -- of Venezuela, of Peru, of Brazil, of Bolivia, of Paraguay, of Uruguay, of Ecuador, of all Central American peoples distant from us, who perhaps did not know us -- remembered our gesture and have seen above all the justice of our cause; and we should not disappoint them.

[Question] Notwithstanding all the suffering, I feel much happier, and I suppose it is the same with you.

[Answer] Yes, I feel the same. And you know very well that when one is in this position, one suffers very much the grief of others; one feels very close to the suffering of others. But I think the victory, the just peace, and having the flag in its place will justify all this anguish.

Views U.S. Policy

PY071552 Buenos Aires Radio Continental in Spanish 1218 GMT 7 May 82

[Magdalena Ruiz Guinazu interview with Foreign Minister Costa Mendez in Buenos Aires 7 May -- recorded]

[Text] [Question] Good morning, Mr Foreign Minister. How are you?

[Answer] Very well, and I am very happy to greet you after not seeing you across a microphone for some time.

[Question] Yes, that is true. Dr Costa Mendez, how would you define, on this morning of 7 May, the situation we are experiencing, in this historic circumstance?

[Answer] I would put it this way: The military answer Argentina has given Great Britain is a very good one, and at this time we are trying to give a diplomatic answer in order to achieve, through negotiations, a peace that will be honorable and just. As in any international action of this type, the military and diplomatic actions are deeply intertwined. The one depends on the other and vice-versa.

[Question] Dr Costa Mendez, regarding the six points of the UN peace plan that have been released and that have made the trip by Dr Ros possible, can they be termed as a hope or as a glimmer of hope?

[Answer] The only positive point so far is the offer made by the secretary general to intervene in this issue. The offer was formally supported by the Security Council. In other words, the United Nations has intervened in this issue, thus replacing other private mediation that was not successful. I cannot, for now, tell you if the UN mediation will be successful or not, but I do believe there are some hopes for making progress in the conflict with Great Britain.

[Question] The newspapers this morning highlight the statements you made yesterday regarding the United States. Relations are bad because the United States has turned into an ally of the enemy. These words are quoted by the newspapers and are attributed to you. In other words, what were the reasons for a country that called itself a friend of Argentina to suddenly turn into an ally of our enemies?

[Answer] In my opinion, the U.S. attitude is inexplicable and mistaken. It has made a wrong analysis of the present situation and, above all, it has made a wrong analysis of the future. The future of the United States does not lie in an absolute relationship with Great Britain, which will not have the strength on the part of Great Britain when it wants to implement it. The future of the United States lies in its good relations with Latin America. If Latin America should unite against the United States, the international isolation into which the United States will fall will be very great and undoubtedly will be to the detriment of any attempt to implement its foreign policy, not only here but throughout the world.

I believe it has made a wrong analysis of the situation and a wrong estimate of it by being too hasty. I believe, however, that although relations are bad, they must and can be restored through good will on the part of the United States, of course. This good will is not expressed [words indistinct] of Defense Secretary Weinberger on his arrival in Europe.

[Question] Now, Mr Foreign Minister, looking at this from outside [words indistinct] confidential information which we do not have, it seems that the United States has not borne in mind this possibility of isolation from the Latin American bloc as you have just mentioned.

[Answer] However, it should have borne it in mind because it got a forceful expression on the subject at the consultative meeting that was held in Washington 26-28 April. However, despite this expression, and in violation of the resolution of the consultative meeting in which it participated, and in which it did not vote but rather abstained, on the following day it implemented the measures of which were are the victims and which affect all Latin America in the end.

[Question] Sorry, in the end what?
[Answer] All Latin America.
[Question] Mr Foreign Minister, (Edgar Valtano) also wants to ask you a question.
[Answer] Of course.

[Question] If you would allow me to resume the subject of mediation and proposals, am I wrong in thinking that any further mediation or proposal must include the acknowledgment of Argentine sovereignty over the Malvinas Islands?

[Answer] You are wrong in the way you are putting the question. Every negotiation must inexorably be conducive to Argentine sovereignty over the Malvinas.

[Question] If you will allow me to refer to another subject, in recent days there have been rumors of the possible transfer, or the request to transfer, the OAS to a country other than the United States, and on the creation of a new Latin American organization. How do you view these subjects in your capacity as foreign minister?

[Answer] These subjects merit more extensive analysis than I can make at this moment, but I believe what has occurred lately clearly calls for a review of Latin American relations with the United States and, therefore, a deep review of the OAS Charter as well as of the Rio treaty.

[Question] Mr Costa Mendez, I would like to put a final question to you, which is not a question but rather the expression of general concern. Although during a press conference held yesterday with foreign correspondents and local journalists, Defense Minister Frugoli said the possibility of aid by the USSR has not been contemplated, there is concern in the streets that due to our very bad relations with the United States, at least in this stage of our history, there could be rapproachement with the USSR with the historic consequences this rapproachement has had in countries that for one reason or another have approached the USSR.

[Answer] We have the best of commercial relations with the USSR, and there is no reason whatever for these to be altered in the wake of this episode. In the diplomatic area, we will not reject the support the USSR voices in our favor. As for the political or military spheres, this is a completely different matter and does not concern my making decisions which, as a matter of fact I believe have already been made.

[Question] Thank you, Mr Foreign Minister, for talking with us this morning. It was very kind of you, and we hope your next steps will be as positive as the ones you have taken to date.

[Answer] Thank you very much, Magdalena [words indistinct].

FRUGOLI DENOUNCES BRITISH ATTACKS OF 9 MAY

PY100535 Buenos Aires TELAM in Spanish 0230 GMT 10 May 82

[Text] Buenos Aires, 9 May (TELAM) -- Argentine Defense Minister Amadeo Frugoli reported tonight that British forces today attacked Puerto Argentino and Puerto Darwin, using, in the attack against Puerto Argentino, Beluga-type bombs that have a radius of 40 by 120 meters and which have been prohibited by the Geneva Convention.

In a press conference, Frugoli said Puerto Argentino was attacked early this morning by ships of the British fleet and later by Sea Harriers. He noted that Puerto Darwin was also attacked by helicopters. Frugoli said: "In these operations the British Government used Beluga-type bombs, which have special characteristics."

He said: "These bombs can be described, without exaggeration, as infernal machines sowing death, because as they land they begin throwing grenades over an area 40 by 120 meters. When the Geneva Convention was approved in 1949, these bombs did not exist, but the principles established regarding the use of weapons that kill indiscriminately are still in force and upheld by those countries that respect international law."

Frugoli added that after this, the British forces attacked and sunk the Argentine fishing boat Narwal, "which was in the area carrying out specific tasks [tareas especificas] that did not pose any threat to the British fleet. The Narwal was sunk by a Sea Harrier, which later did not hesitate to machinegun the rafts that were hurled to the sea by the survivors, and even a raft that was filled with wounded. This is an outrageous attack that violates the most elemental human feelings. This is why I do not hesitate to call it an inhuman deed, a hidious barbarian act that goes against all values of the free world which the British Government has claimed to defend and uphold."

Frugoli noted: Even in war certain values must be respected. Among these are the humanitarian principles of rescue operations at sea, honor during sea battles and respect for human dignity. However, none of these principles have been respected. Therefore this is a serious attack on the culture of the Western world.

He said that this confirms that the United Kingdom is maintaining a two-faced attitude at the international level; while expressing a will to hold negotiations and charging that Argentina is intransigent in seeking diplomatic solutions, it perpetrates attacks at a time when efforts are being made to seek a solution to the conflict.

Asked about the number of casualties in today's attacks against Puerto Argentino and Puerto Darwin, Frugoli said: This is a military secret. Because of its nature it should be handled in a prudent and accurate manner. The Joint Staff will issue a communique in this regard at the proper time because an error may cause anguish and unease among relatives.

A foreign journalist noted that the British Defense Ministry had reported that although an attack had been made against the fishing boat, there were no casualties and that the crew had been taken prisoner. Frugoli said this had happened on other occasions but that the facts have shown the seriousness and accuracy of the statements issued by the Argentine Government.

About the condition of the carrier Hermes, Frugoli said: We have no reliable or complete information to make any reliable statement in this regard.

Regarding the attack early this morning on Puerto Argentino, he stated that they bombed the barracks (the former marine barracks) and other zones of Puerto Argentino. Regarding the damage caused by this attack, he stated that this was a military secret and, addressing the foreign journalist who asked the question, said: "Ask the British Government about its operational capacity and the efficiency of its military attacks." He added that the bombing, carried out by ships as well as by aircraft, was very intense. It lasted 50 minutes, so this gives an idea of the intensity of the attack.

Frugoli was asked whether the Peruvian Government had sent military aid. He answered that the Argentine Government has not taken into account the possibility of requesting military aid from any country. He added that there are offers in this regard but Argentina is defending itself with its own operational capacity. Argentina has received many offers of military aid.

Regarding the extension of the blockade, he stated that Argentina will act in compliance with its strategic plans. From the military point of view, we are fully capable of confronting any attack wherever and whenever it may take place.

Communications with South Georgia have been interrupted. Herefore, it is difficult to obtain reliable information on the situation there. There are reports that could probably be released and that undoubtedly would benefit the Argentine position, but we prefer not to release them until they are fully confirmed.

Regarding the subject of prisoners, he reiterated that so far Great Britain has not returned a single Argentine prisoner. Argentina immediately returned the military personnel arrested on the Malvinas Islands, who were repatriated to Great Britain. If I were to judge by what has happened so far I have the right to believe that things are not very clear nor clean.

Referring to the ship that went to rescue the sailors from the Narwal, Frugoli stated that the vessel was anchored at Puerto Argentino. It is painted red. It is important that this should be known so that in the case of another attack it will not be stated that there was a mistake. I hope that at least now the norms of rescue at sea will be respected.

Frugoli stated that the extension of the blockade has caused a very strong reaction in many countries of the American continent. An example of this reaction and the statements by the Peruvian President, who is a distinguished politician known for his poise and moderation.

At the end the defense minister invited the journalists to take a look at a shell and ammunition of a Beluga bomb similar to the ones dropped on Puerto Argentino today.

ARMED FORCES REPORT UK STRIKES AGAINST ISLANDS

Attack on Port

PY090748 Buenos Aires Domestic Service in Spanish 0747 GMT 9 May 82

[Joint Staff Communique No. 32]

[Text] The Joint Staff hereby reports that at 0140 today British forces began an attack on Puerto Argentino, in the Malvinas Islands, which is being repelled by Argentine forces.

British Repelled

PY091243 Buenos Aires Domestic Service in Spanish 1233 GMT 9 May 82

[Joint Staff Communique No 33]

[Text] The Joint Staff reports that the attack carried out today at 0140 against Puerto Argentino and Darwin in the Malvinas Islands was carried out by British ships and helicopters. The attack lasted approximately 50 minutes until it was repelled by the Argentine forces.

No Casualties

PY091554 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1540 GMT 9

[Text] Buenos Aires, 9 May (NA) -- A senior military officer in the Malvinas reported by phone that the British attacks this morning did not inflict any casualties on the Argentine defenders.

Maj Gonzalez Iturbe stated in answer to a journalist's question that "there have been no casualties for 4 days among the defenders of the Malvinas." He did not give any other details of the incursions carried out against Puerto Argentino and Darwin, limiting himself to saying that the weather was relatively good and that there were low clouds.

COMMUNIQUE CHARGES MACHINEGUNNING OF LIFEBOATS

PY091807 Buenos Aires Domestic Service in Spanish 1743 GMT 9 May 82

[Joint Staff Communique No 35]

[Text] The Joint Staff reports:

1. Today, 9 May 1982, at 0905, at 52 degrees, 45 minutes south latitude and 58 degrees, 2 minutes west longitude, British planes attacked and sank the factory ship Narwal of Argentine registry.

2. The planes continued their attacks in cold blood, machinegunning the lifeboats of the 25 survivers.

3. This constitutes a treacherous act unknown in the history of war at sea.

4. This attack on the most basic humanitarian rules and the traditional norms of aid at sea is repudiated.

5. The necessary instructions have been given through the appropriate organizations to carry out the most energetic protests in international organizations.

Details of Attack

PY091911 Buenos Aires Domestic Service ir Spanish 1840 GMT 9 May 82

[Joint Staff Communique No 37]

[Text] The Joint Staff reports the chronology of messages sent by the factory fishing boat Narwal from the moment it was attacked by British aircraft until it was abandoned:

0905: We are being attacked by a British plane at 52 degrees, 45 minutes south, 58 degrees, 2 minutes west. We have seriously wounded victims.

Moments later: The fishing boat is sinking. We have 30 minutes ofloat. We have launched an orange-colored boat for the seriously wounded.

Minutes later: We, 25 men, are abandoning ship.

A latter reports says: One of the wounded died. Another British plane has flown over us, attacking and destroying the lifeboats. There is one boat left for the surviror. We request urgent help.

The last report: They sank the last boat. We are jumping into the water. Long live the fatherland!

ECONOMY MINISTER HOPES FOR LIFT OF EC BOYCOTT

PY081900 Buenos Aires International Service in English 1630 GMT 8 May 82

[Text] Dr Roberto Teodoro Alemann, the Argentine economy minister, yesterday showed moderate optimism regarding the action of those countries which imposed economic sanctions on Argentina as a result of the conflict with Great Britain. The minister pointed that several are changing their stands. During an informal talk with the press, Dr Alemann expressed his views on [words indistinct] and international economy before leaving for Europe today.

The economy minister gave details of the nature of the meetings he is to attend in Helsinki and later in Zurich and New York. He said that he had specially summoned bankers in Zurich and New York to explain to them what has been done and how, regarding foreign debt. Quote: It is not a matter of renegotiation of the foreign debt, Dr Alemann stated. It was also announced that for the moment a standby will not be requested through the International Monetary Fund.

TRANSFER ACTIONS ON UK ASSETS SUSPENDED

PY080522 Buenos Aires NOTICIAS ARGENTINAS in Spanish 2252 GMT 7 May 82

[Text] Buenos Aires, 7 May (NA) -- The Economy Ministry has decreed the temporary suspension of registration of transfers of shares in local enterprises in case those shares are owned by investors either residing or having their business address in Britain.

The resolution, issued by the Under Secretariat of Economy, complies with the terms of Decree 683 through which the executive branch temporarily suspended "any type of transfer, irrespective of the procedure, of assets owned by either corporations or individuals either residing or having their business address in the United Kingdom of Great Britain and Northern Ireland." The decree affects transfers already requested or those which may be requested in the future.

Foreign Debt Payments

PY080517 Buenos Aires NOTICIAS ARGENTINAS in Spanish 2230 GMT 7 May 82

[Text] Buenos Aires, 7 May (NA) -- The government approves only external payments on financial obligations of government agencies or those arising from the importat of strategic material. This is the instruction the Central Bank has sent to the banks authorized to operate with foreign currency, banning for the moment payments on foreign debts contracted by private parties.

Most external operations authorized by the Central Bank are channelled through the Bank of the Nation, while a few others are carried out through private banks.

Foreign banking sources have reported that the technical cancellation of payments abroad by private parties has raised much concern in some international financial centers. The banking sources stated that the approval of payments by government agencies prevents Argentina from being considered abroad as in default.

The above restrictions on external payments was decreed by the Central Bank last Friday in order to preserve the reserves, now amounting to less than $4 billion. The Central Bank has prepared a timetable of priorities for authorizing payments on the foreign debt, favoring the payment for operations arising from the conflict. Second priority has been assigned to payments on the government's foreign financial obligations, and third place is to private parties' financial obligations arising from capital transactions and imports.

ALEMANN DISCUSSES LATEST ECONOMIC MEASURES

PY082129 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1311 GMT 8 May 82

[Text] Buenos Aires, 6 May (NA) -- Economy Minister Roberto Alemann has not dismissed the possibility of new economic measures being implemented this month, and he reasserted that "the wage policy announced in mid-March will continue to be implemented, despite the emergency situation the country is undergoing." Alemann asserted that within the current warlike conflict, "consumption cannot increase because the standard of living will not improve."

Conversely, he denied that the latest "package" of measures announced by the Economy Ministry had been drafted "by some person other than himself." Alemann stressed that the most important provisions "were drafted by the economic team."

Alemann will begin a tour of Europe and the United States today. In Helsinki he will attend the meetings of the provisional committee and of the development committee of the IMF. He will also meet with private bankers "to whom I will explain the Argentine situation and the way in which the Argentine foreign debt will be paid." Alemann said the possibility of Argentina asking the IMF for a "standby" loan to subsidize its international commitments must not be dismissed. "However," he stated, "for the time being we are not contemplating resorting to the IMF."

Similarly, Alemann indicated: "I will not be renegotiating the payment of the Argentine foreign debt during the tour."

Alemann said he was unaware of whether international financial organizations will increase the cost of the loans they might grant to Argentina. I will know this "once I have talked with the European and U.S. bankers." Alemann will meet with the European bankers in Geneva and with the U.S. bankers in New York.

As for the possibility of a general increase in tariffs, Alemann stated that "this is not certain yet." regarding the local financial system, Alemann conceded that "the Central Bank is studying the implementation of measures against a good number of financial organizations because they do not meet the requirements to continue operating." Terming some bankers "kid-glove thieves," Alemann said the situation the financial sector is undergoing "is due to the vagueness of the law, which gives the market the freedom to set interest rates, and on the other hand makes the state a guarantor of deposits."

FORMER MINISTER ADVOCATES ACCEPTING SOVIET AID

PY091036 Buenos Aires CLARIN in Spanish 8 May 82 p 21

[Excerpts] Miguel Angel Zavala Ortiz, former Argentine foreign minister and leader of the Radical Civic Union, has stated that Argentina will have to accept "foreign cooperation from whatever source" in case "the very existence of the country" should be at risk. Zavala Ortiz remarked that "if the USSR or the PRC, for example, give us their support and if they want to contribute to the defense of our country, we should not hestitate, despite ideological differences."

He added: "We cannot accept the criterion of those who beforehand oppose accepting Soviet help." He asked himself: "Didn't international capitalism join international communism to fight and defeat Nazism and fascism?" He said: "That the United States may worry about this is their own business; for us it is a matter of the survival of our nation."

Zavala recalled the record of relations between Latin America and the United States, making special reference to the Inter-American Reciprocal Assistance Treaty (TIAR), "which the United States needed and which helped mainly" that country. He remarked that unlike NATO, which is an equally shared defense system, the TIAR is a hegemonic system.

He added: "Latin America has rendered the support the United States needed, but it has not given the support Latin American development called for."

He remarked: The United States now "turns to gunboat diplomacy, common in the beginning of this century, in order to support a colonialist policy with British gunboats." Summarizing, he said, "the United States has broken the TIAR and has abandoned our America."

He went on to say that "our republics should take advantage of the situation to organize the joint defense of Latin America under conditions of equality and based on guaranteed confidence."

Zavala Ortiz said: May God forbid that the U.S. Government's unexplainable unreasonableness makes us forget our historical admiration for the nobleness and dedication to democratic institutions of the U.S. people."

COMMUNIST PARTY LEADER INTERVIEWED IN MOSCOW

AU071420 Prague RUDE PRAVO in Czech 6 May 82 p 7

[Text] In an interview with APN reporter Andrey Pravov, Athos Fava, general secretary of the Communist Party of Argentina, who is on a visit to Moscow, stated that the problem of the Malivnas Islands has now gone beyond the framework of conflict between Great Britain and Argentina. These events are disturbing the progressive public of the whole world.

As regards the Argentine people, they resolutely condemn London's policy and are prepared to defend their country's sovereignty, Fava stressed. Our fight is anti-imperialist and anticolonial. We are striving to prevent the establishment of foreign military bases on Argentine territory and to put an end to the devastation of the country's natural riches. These days our people are also demonstrating their demand for bread, peace, democracy and freedom -- that is for all that were denied these last 6 years. We are of the opinion that the problem of the Malvinas must be resolved by peaceful means within the UN framework. And on this goint the progressive Argentine public supports its country's government.

[Question] What, in your opinion, is concealed behind the Reagan government's frank transition to the side of Great Britain in the dispute?

[Answer] From the very beginning we grasped very well that Secretary of State Haig's so-called peace mission was aimed at protecting U.S. interests in the area. One cannot wonder about U.S. imperialism's support of British imperialism. In fact, their common aim is to loot, through transnational monopolies, the natural riches in the southern part of the continent, in the seas and oceans washing it. The imperialists are interested in looting our reserves of crude oil, fish and other riches. It is with this aim in mind that the Inter-American Military Argeement -- a branch of the NATO pact -- was reached.

[Question] According to press reports, the Chilean military junta is supporting the British fleet that is attacking the Malvinas. How do you appraise this attitude?

[Answer] By supporting British imperialism, Pinochet's junta has again shown its nature to the world. It is obvious that Chile is striving to use the British-Argentine conflict for its own benefit because it is asserting its claims to the Beagle Channel in southern Argentina.

[Question] Washington has announced its decision to introduce economic and trade sanctions against Argentina. What does this mean for your country?

[Answer] This kind of economic and trade sanction is primarily aimed against the interests of the Argentine working people, who are living in very poor conditions. Perhaps you know that Argentina's foreign debt today amounts to $34 billion. Its debts are primarily with the United States, Great Britain and other Western countries, whose monoplies are shamelessly robbing our country.

Under these sanctions, the Argentine Government should, in my opinion, seriously consider introducing a national patriotic tax to be imposed on the Western companies operating in Argentina. Apart from that, and in face of the economic extortion on the part of the West, I see a realistic way out of the situation by increasing trade with the socialist countries, especially with the Soviet Union. In our opinion, Argentina's economic relations with the Soviet Union have been developing successfully. Last year alone the mutual trade amounted to more than $3.5 billion.

REPORT ON U.S. UK JOURNALISTS' ARREST 'ERRONEOUS'

PY071934 Buenos Aires HERALD in English 7 May 82 p 11

[Text] In a letter to the HERALD yesterday, American TIME magazine correspondent William McWhirter, writing from the Plaza Hotel, said that a report by the news agencies NOTICIAS ARGENTINAS and DIARIOS Y NOTICIAS published in yesterday's HERALD about five foreign reporters in Bahia Blanca being detained on Tuesday night for covering the government imposed evening blackout in that city was "erroneous."

He said in the letter that "none of the journalists were arrested, detained or charged with improper activities," adding that "two journalists representing TIME magazine," photographer Claus Meyer, a German, and himself "specifically refrained from street photographs and interviews because of the obvious sensitivities in the community."

"All the journalists (the others in the agency stories published yesterday are Americans Frederic Truman and Edward Meyer and Briton John Philips) had entered the area legally before it was declared off limits and were subsequently informed by the authorities, McWhirter said.

He went on to say that "our materials were not searched or confiscated and we were ordered to leave on the following day's flight," adding, "all this can be confirmed through police and army officials in Bahia Blanca."

"I am asking for this retraction," McWhirter concluded, "to avoid further misunderstanding regarding our own trip as well as the professional role of other foreign journalists in Argentina."

TALKS WITH GDR AIM AT PROMOTING BILATERAL TRADE

PY101118 Buenos Aires TELAM in Spanish 0220 GMT 7 May 82

[Excerpt] Buenos Aires, 7 May (TELAM) -- The Argentine and GDR delegations have ended deliberations aimed at promoting bilateral trade in various items. The balance of trade currently registers a $22.9 million surplus favorable to our country. During the conversations held today a study was made of the possibility of signing a long-term agreement for the provision of Argentine grain, oilseeds, meat products and fish.

A draft agreement on maritime transportation and the status of negotiations for the purchase by the GDR of cargo-handling equipment [motoestibadoras], gantry cranes, teaching materials and other items were also considered. The trade secretariat has suggested, among other things, the purchase of government-owned enterprises [as received], the signing of a letter of intent similar to the one signed with Hungary for negotiation of a scientific-technological agreement, possibilities of promoting bilateral trade, the granting of reciprocal lines of credit, joint production of goods and participation in fairs and expositions.

It was agreed that our country would participate in the Leipzig fair and that a joint commission of officials from the two countries will meet 26-28 May in Buenos Aires.

TORRELIO ANNOUNCES CURFEW SUSPENSION 7 MAY

PY071858 La Paz Radio Illimani Network in Spanish 1700 GMT 7 May 82

[Text] President Celso Torrelio Villa today announced that curfew has been suspended as from today. He stated that the interior minister will release a communique to that effect within the next few hours. This announcement was made by President Torrelio at noon today to the journalists who are accredited to Government House.

MILITARY COMMANDERS DENY RUMORS, AFFIRM SUPPORT

Air Force Statement

PY081459 Paris AFP in Spanish 1420 GMT 8 May 82

[Text] La Paz, 8 May (AFP) -- The Bolivian Air Force (FAB) denied here today having asked for President Celso Torrelio Villa's replacement during a meeting of commanders of large military units that closed in this capital last Thursday.

The report, which was made by the La Paz daily HOY, stated that the FAB had approved the request for Torrelio's replacement that had been made by three out of the four commissions at the military meeting.

The FAB notes in its statement that the air force approved the document that was drafted on the occasion, in which Torrelio was asked to continue with the national institutionalization process that the military are carrying out.

Army Commander's Statement

PY081924 La Paz Radio Illimani Network in Spanish 1700 GMT 8 May 82

[Text] The commander of the army, Gen Angel Mariscal Gomez, has categorically denied reports of an incident alleged to have taken place last Friday afternoon. At the conclusion of a meeting with the chief of state at Government House, General Mariscal Gomez expressed his profound respect, affection for and sincere loyalty to Gen Celso Torrelio Villa.

General Mariscal said: He was my instructor, my commander, my general and my teacher. He then denied rumors going around yesterday afternoon. He said: Had there been an incident against the president, General Torrelio Villa would probably have ordered harsh punishment, and as a soldier I should have had to carry out the sanction.

FORMER PRESIDENT PADILLA CALLS FOR CHANGE

PY080936 Paris AFP in Spanish 0603 GMT 8 May 82

[Text] Lima, 7 May (AFP) -- Bolivia's current government must be replaced by a new transition government headed by a respected military officer, former Bolivian President Gen David Padilla told the Lima newspaper CORREO.

Padilla, who is now in the underground, was secretly interviewed by Adriana Recchia. During the interview, Padilla said that, if things continue on their present course in Bolivia, there will be in his country a revolution as bloody as the April 1952 revolution.

Padilla asserted that politically, economically and morally speaking, Bolivia finds itself in the most dreadful and desperate situation in its history. Such situation has been caused by the splintering of the traditional political parties, the proliferation of political movements, the hefty foreign indebtedness amounting to $3.8 billion, the mismanagement of resources and the immorality prevailing in governmental and administrative spheres.

He said that the first step that must be taken to solve this crisis is replacing the current government because it has completely lost its credibility both inside and outside the country due to a series of facts that are well known by the citizenry, and on account of which, it can be characterized as being a continuation of the Garcia Meza regime.

For those reasons, Padilla continues to say, a transition government must be installed, a government which will conduct the country in accordance with the state's political constitution, and with the participation of all sectors of the country -- political, labor, business and military -- in order to find solutions for the serious problems the country is confronting.

Padilla then added that the Constituent Assembly called for by the government to be held next year is nothing but a plot to retain power, that being the reason why it was rejected by the majority of the political parties and the labor sectors, and also because it does not actually contribute to solve the country's pressing problems.

He also said that the country's economic and moral situation would have been better if the democratic process had not been interrupted, since "the commission of so many crimes by the Garcia Meza government would have been prevented, crimes such as the unprecedented protection for and involvement in drug trafficking that has so much discredited Bolivia and its armed forces."

After agreeing with Bolivian politicians that the military has exhausted its chance after 17 years in government, he said that the situation has become even worse due to the government's arbitrary actions, heavyhandedness, abuses and immorality.

He then said that, in the present circumstances, a government of national unity should be headed by a respected and honest military officer with influence among his comrades in arms, and respected by civilians.

Padilla predicted that if things continue as they have thus far...actions and events more tragic than those which occurred in April 1952 may happen. He then described himself as a nationalistic, Christian and law-abiding man.

Finally, the former president said that because people are starving as a result of the economic measures and because those who have caused so much damage to the country are enjoying impunity and protection, the conditions are ripe for a popular uprising.

STUDENTS STAGE HUNGER STRIKES OVER POLICE ACTION

PY081005 Paris AFP in Spanish 1909 GMT 7 May 82

[Text] La Paz, 7 May (AFP) -- It was reported here today that more than 1,000 university students have gone on hunger strike at various churches in Cochabamba (in the center of the country) in the wake of the police occupation of their university.

The situation arose after the National Council of Bolivian Universities (CONUB) appointed Dean Fredy Mercado Rojas, while students had elected former Dean Jorge Trigo Andia for such position. In the face of the youths' insurgency, the police cordoned off San Simon University. Students responded by staging massive hunger strikes in churches throughout the city and their spokesmen said that they demand full respect for university autonomy.

COMIBOL, HEALTH WORKERS CONTINUE WAGE STRIKE

PY081317 La Paz Cadena Panamericana in Spanish 1130 GMT 8 May 82

[Excerpts] The professionals and technicians of the Mining Corporation of Bolivia, COMIBOL, resumed their indefinite general strike at 1430 yesterday in protest of the lack of attention to their wage demands by COMIBOL and government officials. The health workers who are in their 4th day of indefinite general strike are hopeful that they are going to find today a solution to the conflict affecting the population in general. They are going to meet at 1100 today to study a proposal they received in the last few hours.

FIGUEIREDO TRIP SHORTENED OVER U.S. STAND

PY081843 Buenos Aires TELAM in Spanish 1619 GMT 8 May 82

[Text] Rio de Janeiro, 8 May (TELAM) -- The Brazilian Foreign Ministry has expressed its deep disapproval of the U.S. decision to support Great Britain in the conflict over the Malvinas, and particularly, of Washington's compliance with the economic sanctions that the EEC has implemented against Argentina. This assertion was made by the Rio de Janeiro newspaper JORNAL DO COMERCIO today, upon reporting that the Brazilian Embassy in Washington has announced, without giving any further details, that the agenda of President Joao Figueiredo in his upcoming visit to the United States has been drastically cut short.

The newspaper also noted that diplomatic spokesmen have stated in Brasilia that Figueriedo will reassert to Reagan the Brazilian support for the Argentine sovereign rights over the Malvinas, as it has done in various international forums.

EXTENSION OF UK BLOCKADE VIEWED WITH CONCERN

PY080259 Porto Alegre Radio Guaiba in Portuguese 0200 GMT 8 May 82

[Text] Commenting on Great Britain's decision to extend its naval blockade up to a 12-mile limit off the Argentine coast, Itamaraty spokesman Bernardo Pericas has said that Brazil is quite concerned. He added that Brazil was concerned about any measure indicating escalation of the conflict or intensification of hostilities because thus would prevent both parties from moving on the only path leading to a peaceful solution.

FOREIGN MINISTER EXPLAINS POSITION IN SENATE

PY092330 Rio de Janeiro JORNAL DO BRASIL in Portuguese 6 May 82 p 13

[Text] Brasilia -- In answer to a question by Senator Humberto Lucena, author of the call to appear in congress, Foreign Minister Ramiro Saraiva Guerreiro admitted in the Senate yesterday that following the crisis over the Malvinas (Falkland) Islands, the inter-American system is in crisis:

"We do not want to dramatize too much, but there has been an obvious deterioration to the whole system and it will no longer be the same as before," the minister stated. He was referring to the statements made by the Paraiba state senator that the conflict between Argentina and Great Britain will cause inevitable damage for the Americas, without attributing, however, the responsibility for that deterioration to the position adopted by the United States in support of Great Britain.

The search for a peaceful solution at any cost, as long as none of the parties will be humiliated or diminished, was the main argument used by Foreign Minister Saraiva Guerreiro to explain at the Senate yesterday, why the Brazilian Govenrment has been so cautious in the fact of the conflict in the South Atlantic, measuring words and initiatives so as not to harm the reconciliation efforts now taking place at the UN Security Council.

Standing before the microphone at the rostrum, the foriegn minister answered the questions of eight opposition and government senators for more than 3 hours, reiterating the same ideas regarding the urgency of "stopping the escalation of violence" in this episode. He has been using these ideas since the speech he made before the OAS consultative organ in Washington.

Saraiva Guerreiro made clear that during the entire episode of the Malvinas conflict, the Brazilian Government has never had the inclination to assume the role of mediator, or to try to assume any kind of leadership in the continent.

The foreign minister said that on the contrary, the Brazilian Government has understood that it would be more useful, "to look for a common denonimator to favor a Latin American position in the OAS", as in fact it did, or to encourage to UN secretary general to implement the mechanisms of the UN Charter to find a peaceful solution to the conflict. He recalled that even "the most powerful nation in the world," the United States, had failed in its isolated attempt to mediate.

On the issue of the Falklands Islands, the minister who always referred to them as Malvinas and did not justify himself to Senator Dirceu Cardoso for doing so, explained, Brazil does not have a neutral position, because technically there can be no neutrality when there is no declared war. And in this case, the two conflicting countries that are friends of Brazil, insist on calling on the right of legitimate self-defense as provided in Article 51 of the UN Charter, when this can only be done in the absence of action by the Security Council. And the Security Council has already approved a specific resolution (502) on the issue.

In these few words, the foreign minister defined the Brazilian position:

Our great concern is to stop the escalation of violence and to reverse the current state of the conflict.

It is very difficult to achieve any conciliatory formula without involving these three elements: cessation of hostilities, withdrawal of forces, and beginning of negoations.

We think it is indispensable to bring the issue to the UN Security Council. We do not want to do anything which may damage the initiative of Ireland in this regard.

Because of my professional convictions, I am still very optimistic: It is not possible to continue with what is happening; it is impermissable for force to be used with losses of human lives between friendly peoples.

MINISTER REVEALS NAVY POSSESSION OF EXOCET MISSILE

PY090807 Rio de Janeiro JORNAL DO BRASIL in Portugese 8 May 82 p 13

[Excerpt] Navy Minister Maximiano da Fonseca has revealed that Brazil has had the French-made Exocet missile for more than 6 months. This missile was used by Argentina to sink Britain's destroyer Sheffield in the blockade around the Malvinas.

Da Fonseca accompanied President Joao Figueiredo during the dedication of Porto de Sepetiba in the municipality of Itaguai, in Rio de Janeiro. He remarked that the number of missiles of the armed forces is a "military secret" and, in a good mood, he said that it is not enough to fire a single missile to hit the target because "a little luck is also necessary."

According to a Brazilian Navy Officer, a test of an Exocet carried out in December 1981 failed. The target was a decommissioned destroyer which still remains untouched in the navy docks and with a white grid painted on it.

PRESIDENT DEDICATES FIRST YELLOW CAKE PLANT

PY081008 Paris AFP in Spanish 0025 GMT 7 May 82

[Text] Pocos, de Caldas, Brazil, 6 May (AFP) -- President Joao Figueiredo today dedicated Brazil's first industrial plant for the production of uranium concentrate (yellow cake). This plant has a production growth of 500 tons per year. The basic project was drawn by the French company Societe du Cycle de l'Uranium Pechiney Ugine Khulman, and the plant construction cost $240 million. The uranium concentrate (yellow cake) produced in Pocos de Caldas will be enriched by URENCO [a British-Netherland-FRG unanium enrichment consortium], and then it will be utilized in the nuclear plants which are being built in Brazil under provisions of the agreement signed with the FRG on 27 June 1975.

ROJAS GALDAMES SUSPENDS TRIP TO NEW YORK

PY091558 Paris AFP in Spanish 1502 GMT 9 May 82

[Text] Santiago, Chile, 9 May (AFP) -- It was reported here today that Chilean Foreign Minister Rene Rojas Galdames suspended the trip he was going to make this weekend to New York, presumably as the result of the crisis in the Malvinas Islands in the South Atlantic. Foreign Ministry sources indicated that the minister is going to remain in Santiago due to the current complex international situation.

Rojas Galdames was going to head a meeting of Chilean ambassadors in New York, a meeting which has been postponed for 2 weeks. The Argentine-Great Britain conflict over the Malvinas have drawn the attention of Chilean officials in the last few days. This subject was discussed this week during a meeting called by President Augusto Pinochet with the attendance of the members of the government junta, the foreign minister and other high officials.

PEACE, FRIENDSHIP TREATY STUDIED WITH ARGENTINA

PY080239 Paris AFP in Spanish 0045 GMT 8 May 82

[Text] Santiago, 7 May (AFP) -- Argentina and Chile have begun to study a permanent peace and friendship treaty to put an end to the century-old conflict over the Beagle Channel, Col Ernesto Videla, deputy secretary of the Chilean Foreign MInistry, revealed today. The idea of such a treaty was proposed by Pope John Paul II, who is the mediator in the conflict, at a meeting he held in the Vatican with the delegations of the two countries on 23 April.

Videla, who acts as head of the Chilean delegation to the mediation process, returned today from Rome, where he met with the sovereign pontiff, to participate in preliminary meetings at this new stage of negotiations. We began working on the first point of his holiness' proposal, that is, to study a permanent peace and friendship treaty which should include clauses for the peaceful solution to the controversy, Colonel Videla said. Videla then added: I believe that the appropriate thing to do is to respond to the holy father's suggestion, since he has shown so much devotion and made sacrifices to see that this conflict is resolved peacefully.

Videla's declarations were consonant with reports coming from Rome saying that a joint work commission of Argentine and Chilean experts was created today in order to undertake studies to give legal forms to the aspirations of Pope John Paul II. The formula which the mediator submitted to the two governments on 12 December 1980 will serve as basis for the future treaty. That formula proposed the creation of a "peace zone" in the southern region where the conflict, which brought the two countries to the brink of war in 1978, arose. The Chilean deputy secretary also reiterated that the mediation has not been affected by the conflict between Argentina and Great Britain over the Malvinas Islands in the South Atlantic.

MARXISTS STAGE ANTI-CHILEAN RALLIES IN ARGENTINA

PY081316 Santiago Chile Domestic Service in Spanish 1100 GMT 8 May 82

[Excerpt] The anti-Chilean incidents that have taken place in some Argentine cities were organized by Chilean Marxists who live in Argentina, said Sergio Onogre Jarpa, the Chilean ambassador to Argentina. Ambassador Jarpa has arrived in Chile in order to report Foreign Minister Rene Rojas Galdames on the work that the Chilean embassy in Buenos Aires is carrying out, and on the status of the bilateral relations from the Chilean viewpoint. At the end of a meeting held with Rojas Galdames, Jarpa said that relations between Chile and Argentina are absolutely normal.

ECONOMY MINISTERS MEETING PRODUCES DOCUMENT

PA081453 Bogota Radio Cadena Nacional in Spanish 1730 GMT 7 May 82

[Text] Cartagena -- The Caribbean and Central American countries have just given an answer to Colombia on its proposed plan for economic aid. The conference [of economy ministers] has recognized the importance of obtaining economic and social development in the countries of the area. This meeting has served to improve cooperative systems that stemmed from rapprochement policies. The delegations recognized Colombia's efforts to improve its ties with the countries of the Caribbean and Central America. The conference was comprehensive and open, thus characterizing the specific formulas for cooperation programs.

Here is the operative part of the document that will be signed here at the Cartagena convention center in a few minutes. It is made up of seven basic points, which can be summarized as follows:

1. To create an administrative and institutional framework for the intensification of a horizontal technical [as heard] cooperation to take care of urgent needs in the Caribbean and Central American areas.

2. To increase sea and air transportation activities in order to boost trade.

3. To advance activities directed toward and involving the signing of lines of credit.

4. To expand reciprocal credit agreements between Colombia and the countries of the region. The central banks will give information on this.

5. To conduct an inventory of the energy resources of each nation in order to increase the exchange of products such as coal, and to lessen the impact of fuel imports on the economies of these countries.

6. To increase the flow of trade with the participation of the public and private sectors.

7. To encourage the exchange of special information concerning plans for economic and social development.

This document will be issued in a few minutes and will be signed by the representatives from 17 countries who participated in this first meeting of economy and development ministers of the Caribbean and Central America. The meeting, which began on Isla de San Andres, is reaching a decisive phase today in Cartagena [as heard].

PRESIDENT DISCUSSES STATE OF SIEGE, NICARAGUA

PA081639 Bogota Emisoras Caracol Network in Spanish 1215 GMT 7 May 82

[Text] San Andres -- Colombian President Julio Cesar Turbay Ayala has said here that Colombian relations with Nicaragua have never been very warm, and that Colombia does not need to make a display of its sovereignty over San Andres.

The president and Foreign Minister Carlos Lemos Simmonds will be leaving for Costa Rica today to attend the presidential inauguration of Luis Alberto Monge.

President Turbay Ayala did not rule out the possibility that the state of siege will be lifted before the end of his term. However, he indicated that to achieve this, as in a marriage, there must be willingness from both sides, the government and the guerrilla groups. He said that if the guerrillas continue their opposition, they make it difficult to lift the state of siege. Turbay Ayala also said that the state of public order in his country is normal, although he admitted that common crime has increased in some areas.

President Turbay Ayala said that there are no doubts about Colombia's sovereignty over San Andres, and that relations with Nicaragua cooled when that country began to express claims over the Colombian territory.

REACTIONS TO LATEST CRISIS DEVELOPMENTS REPORTED

UK Attacks Termed 'Criminal'

PY100710 Buenos Aires LATIN in Spanish 2217 GMT 9 May 82

[Excerpts] Lima, 9 May (LATIN-REUTER) -- President Fernando Belaunde today deplored the new British attacks on Argentine ships and termed them criminal because they were launched while a truce was being discussed at the United Nations President Belaunde, who made this statement during his usual Sunday press conference, added that since the matter (the truce) is in UN hands the undertaking of other (military) actions amounts to a criminal deed.

After denying that War Minister Gen Luis Cisneros Vizquerra had traveled to Buenos Aires to meet his Argentine counterpart, he remarked that Peru gives the first priority to peace. Asked whether Peru might render military support to Argentina, Belaunde answered that if the (peace) cannot be achieved, we shall talk about military support later.

He added that he was deeply moved by the casualites which occurred in Argentina's cruiser General Belgrando and in Britain's Sheffield, remarking that if negotiations outlined in a U.S.-Peruvian document last week had succeeded, those casualties would not have happened. He said that considerable progress had been made and that the document was to be signed on Sunday (2 May). If it had been signed in the morning the cruiser Belgrano wouldn't have been lost; if it had been signed in the afternoon the Sheffield wouldn't have been lost. The president went on to say that negotiations failed not because of faulty terms but because an Argentine ship was torpedoed. He said: I myself suspended the negotiations and I agreed with Argentina because a peace proposal could not be discussed under those conditions.

He explained that Peru maintains normal relations with the United States, remarking that the OAS should include not only the United States but also Canada. He added: But this does not mean that there cannot be another exclusively Latin-American organization, because there are also problems which involve Latin America directly.

Support for UN Mediation Asked

PY100744 Paris AFP in Spanish 2211 GMT 9 May 82

[Excerpt] Lima, 9 May (AFP) -- President Fernando Belaunde today requested a peaceful settlement without delay and solid world support for UN Secretary General Javier Perez de Cuellar's efforts aimed at negotiating a cease-fire in the Malvinas.

He said that it was necessary to be implacable in this regard because not a single new casualty should occur in the Argentine-British conflict. He expressed his hope that the UN secretary general would be able to achieve an agreement between the two parties in conflict today, without waiting another single minute. Not a single more minute should be wasted, he added.

Belaunde disagreed with the convocation of an urgent meeting of Latin American presidents or foreign ministers, considering that such an initiative would be a waste of time in view of the Malvinas situation. He preferred expeditious phone conversations to reach quick solutions.

UK Blockade Extension Hit

PY080345 Buenos Aires TELAM in Spanish 0255 GMT 8 May 82

[Text] Lima, 7 May (TELAM) -- Through its Foreign Ministry, the Peruvian Government has reiterated both its strong protest at the British extension of the exclusion zone to within 12 miles of the Argentine coast and its request for a cessation of hostilities.

The Foreign Ministry tonight issued the following communique: "The Peruvian Government regards as extremely serious the extension of the conflict to waters which, according to Argentine laws, are under Argentine sovereignty, and consequently are part of the American Continent.

"In the face of this new expansion of military actions by the British forces following their unjustifiable sinking of the cruiser General Belgrano, the Peruvian Government reiterates its strong protest and its request for a cessation of hostilities to open the way to peaceful procedures which would be in keeping with international law.

"Peru decidedly supports the negotiations the UN secretary general has been conducting and calls upon the two conflicting parties to immediately observe a truce, which is the only way through which a major confrontation will be avoided.

"Peru has immediately adopted the appropriate actions in the international field in order to safeguard peace and security in Latin America and, accordingly, it has imparted instructions to this effect to its delegation at the 20th consultative meeting of foreign ministers."

Finance Minister's Statement

PY080326 Buenos Aires LATIN in Spanish 2200 GMT 7 May 82

[By Kevin Dunn]

[Excerpts] Lima, 7 May (LATIN-REUTER) -- Peruvian Prime Minister and Finance Minister Manuel Ulloa, speaking at a press conference today, said that the Latin American finance ministers will exert pressure on the EEC countries to end their commercial sanctions against Argentina. He said the ministers may coordinate their actions at an international monetary fund (IMF) meeting which will open tomorrow in Helsinki. A lifting of the economic blockade would show good faith toward Argentina and toward Latin America at large, the minister said.

He opposed, however, the boycott imposed by Peruvian workers against British ships and planes, noting that the boycott would damage the country's economy and, consequently, would undermine its capacity to help Argentina.

According to government officials, the boycott of British ship last week caused the government to lose $1 million which it would have collected in import duties.

NUCLEAR OFFICIAL DISCUSSES ARGENTINE BOMB ABILITY

PY081027 Paris AFP in Spanish 1651 GMT 6 May 82

[Text] Lima, 6 May (AFP) -- Argentina can make its own nuclear bomb and has every right to do so to guarantee its survival, Gen Juan Barreda, chairman of the Peruvian Nuclear Energy Institute, has stated here. On announcing an international bid for exploration for uranium deposits in Peru, General Barreda said: There is nothing unusual in that Argentina can have its nuclear bomb, just like the United States can. He said Argentina has four uranium deposits which are now being exploited and thus it has the raw material needed to make the nuclear bomb.

In conclusion he said that the Malvinas conflict had not affected the Peruvian-Argentine agreements on nuclear cooperation in peaceful research, and that a few days ago he had received the appropriate amount of money.

TOP SHINING PATH LEADER GUZMAN SERIOUSLY ILL

PY080644 Paris AFP in Spanish 2121 GMT 7 May 82

[Excerpt] Lima, 7 May (AFP) -- Abimael Guzman, the top leader of the ultraleftist terrorist group Shining Path, is seriously ill and has been staying in Lima. Investigative police personnel have located him and have been keeping him under surveillance but cannot detain him because they have no court order and because they want to let him undergo medical treatment.

TRANSPORTATION MINISTER'S RESIGNATION ACCEPTED

PY080148 Buenos Aires LATIN in Spanish 0050 GMT 8 May 82

[Text] Montevideo, 7 May (LATIN-REUTER) -- Transportation and Public Works Minister Eduardo Sampson today resigned and his resignation was accepted by President Gregorio Alvarez, an official communique said.

No explanations were given about Sampson's unexpected resignation, which prompted the first partial cabinet shakeup since Alvarez was inaugurated on 1 September. Industry and Energy Minister Francisco Tourreilles will be the acting transportation and public works minister, the communique added.

Sampson was implementing several projects which are considered to be important for promoting the urban development of this capital.

FORMER PRESIDENT PACHECO SPEAKS ON RETURN

PY091020 Montevideo Radio El Espectador Network in Spanish 1600 GMT 8 May 82

[Speech by Jorge Pacheco Areco, former Uruguayan president, at Carrasco Airport in Montevideo on return to country -- recorded]

[Text] [Begin recording] [in progress] ....historical elections held in 1971 when we gave the world an example of how, in the midst of a struggle against subversion and confronted with an implacable political opposition, democracy was able to survive and act.

My exit from the country was merely material, since my mind and spirit continued to closely follow national developments. As I stated in my 3 May 1972 message, I left the country so that no one would consider me a center of power or an obstacle to any political agreement. Therefore, I left solely and exclusively for political reasons, and whoever may think the contrary is completely mistaken. I remained abroad -- occupying a post as ambassador -- convinced that by doing so I would contribute to a less traumatic development of events and a change, which at that time I considered irreversible, which I hoped would culminate in the shortest time possible and on firm ground in the full reestablishment of a state of law.

Today, when this period of transition is initiated by the armed forces, I return to the country to cooperate in the supreme task of institutionalizing the country and reestablishing a representative democratic regime; to cooperate with my Colorado Party's effort to achieve an organized unity, an objective which I consider essential for its revitalization and contribution to the full and stable functioning of our democracy; and to meet with you to share and understand your feelings and needs in the Uruguay of today. Therefore, I share your hopes.

I strongly reject demagoguery as a means to achieve support. I have confidence in our people's intiution, their love for freedom, their respect for the human being, their legitimate desire for self-improvement. I believe in their understanding, their cooperation to successfully and happily find, together with those in charge of conducting the current process, the path to recover a full, modern democracy to guarantee the development of a community which is able to freely decide its own future.

I am not a figure of the past, nor do I feel like one. And now, having renewed my strength and spirit with the return to my dear country, shoulder-to-shoulder with you, inch-by-inch and united on the path which will make the achievement of the great nope feasible, I will struggle without pause for the reestablishment of an integral democracy, where man's freedom will exist, and where the nation's security will be the cornerstone.

Likewise we will struggle obstinately for a united party, despite the disagreements among various internal currents; for a modern party, aware of the world in which we live and of its problems; a party which will keep up its traditional humanistic spirit, support justice, feel for its people; a party free of resentful persons and demagogues, with the stature which the times require; a party with deep thoughts but with the pragmatic sense which all political situations require.

From the personal point of view I direct my life toward a concrete goal within my political destiny, offering the Uruguayan people my effort and my experience to jointly struggle for well-being and happiness within a climate of harmony, without pause and with effort and discipline against the foreign and domestic enemies, and without joining the group of opportunists nor allowing the senseless to rarify the political atmosphere which I wish to strengthen with my arrival. Probably the ideal solution which will solve everybody's problems will not be reached through the shortest nor easiest path, but neither will we take the easy path of unjust and systematic attacks.

We have no personal interests. We have already governed and our government had the people's massive support. At the end of our term in power and in the midst of a struggle against sedition, free and democratic elections were held in compliance with the constitution; it was a civic event which revealed the sound nature of our intentions and the courage and imagination to struggle with all the force of our enemy within the law and ideal principles of the Uruguayan democracy.

President Kennedy said that the seeking of solutions is the greatest challenge of our times. Sometimes we become anxious due to the weight of our duties, the complexity of making a decision, the torment of holding an election, but evasion does not represent any comfort nor security to us. Abdication is not the solution, nor is there any relief in irresponsible actions.

We will start a new phase of work through direct dialogue with all the sectors of the national life in order to learn about their problems, their needs, their plans and to identify the obstacles which must be overcome.

Today, as in 1968, I reiterate to the country that I am not unaware of the problems which the republic is confronting, and because of my human condition and my responsibility as a politician, I have never avoided that responsibility, nor will I ever do so. Right or wrong I have always done and continue to do what my conscience tells me I should do. In this way, regarding the complex and controversial situation which arose during the plebiscite held in November 1960, I emphatically assert that having had the opportunity to refrain from making any pronouncement, thus adopting an independent and uncompromised attitude, I did not hesitate, however, to publicly state my position, convinced that within a feasible and realistic scheme I was contributing to a faster reestablishment of a representative democratic regime which would then allow, through the thus-recovered political parties and congressional action, the task of perfecting the system which would have been established.

At the same time I would like to assert that our struggle does not seek revisions nor revenges. It looks at the future in really difficult times, a future in which peace and prosperity are inseparably related. Nobody can ignore that almost the entire world is experiencing a deep recession and that our country cannot be foreign to its consequences. But it is also true that Uruguay, with the potential which almost 80 percent of its fertile land represents, with its privileged geographical location and its sovereignty over the 200-mile seacoast and the high-level education of its people, is in a position to endure and overcome the effects of the universal crisis. As a Uruguayan citizen, I return with pride in our people. I have traveled and met the most developed and civilized peoples. But we have established an educated society with a defined personality which is unmistakable in America and in the world. Our people have an education and general knowledge which is equal or better than those I have met abroad. Uruguay is made up of its people, therefore, my faith in its destiny is deep and lively.

Compatriots, friends of mine, thank you for this encouraging and generous welcome. I am moved and feel a great happiness. All those Uruguayans who have relatives or friends abroad know that they all miss their country and wish to return. There might be a few exceptions, but the decision to leave the country, family and friends is a painful decision, and there is nothing which will make up for distance. Fortunately, today, I am back in my fatherland, beside you to become just another one of you in this great task, one more in the struggle and the hope.

ARRIVAL OF ARGENTINE POW'S, PILOTS DENIED

PY070845 Buenos Aires TELAM in Spanish 1708 GMT 7 May 82

[Text] Montevideo, 7 May (TELAM) -- The interior minister, Gen Yamandu Trinidad, stated here tonight that Uruguay had not received any specific request to receive prisoners of war or those wounded in the Argentine-British conflict.

He noted that should anyone arrive, the appropriate measures will be taken. Furthermore, he said, Uruguay will continue to maintain the position it has made public because it is in keeping with its international policy.

Trinidad said that thus far he has heard nothing about the arrival of Argentine prisoners of war or pilots wounded by the British during air clashes in the South Atlantic but noted that it is the Uruguayan Navy, through the naval prefecture, which should give that information as the subject falls within its jurisdiction.

The minister thus responded to reports indicating that two Argentine pilots rescued at sea after being ejected from their Canberra planes, which had been hit by British fire, arrived last night aboard the Polish fishing boat Orsin. The company that represents the Orsin told TELAM that the ship will dock early tomorrow morning but did not confirm whether the above pilots were aboard.

For his part, Acting Foreign Minister Filiberto Ginzo Gil has said that there has been no official notification of the arrival of Argentine prisoners of war or pilots.

REPORTAGE ON FALKLANDS CRISIS DIPLOMACY

President Discusses Crisis

PA100032 Madrid EFE in Spanish 2257 GMT 9 May 82

[Text] Caracas, 9 May (EFE) -- Venezuelan President Luis Herrera Campins said today in Carupano, in eastern Venezuela, that Argentine President Gen Leopoldo Galtieri agrees with the idea of restoring democracy to his country. "The Argentine president," Herrera Campins said, "sent me a message saying that he was committed to restoring democracy and that after overcoming this situation, he would fully devote himself to that end." With this statement Herrera Campins referred to one of the points of a document issued by the Venezuelan Congress in which it demands the restoration of representative democracy in Argentina.

The Venezuelan president stressed that his government advocates continental solidarity on the struggle against remnants of colonialism in the world and the recognition of Argentina's sovereignty over the Malvinas. He rejected the rumor that the conflict is being manipulated to gain an advantage in the upcoming Venezuelan elections, he stressed that his government is trying to represent national interests.

Regarding the creation of an organization similar to the OAS, Herrera Campins said that after what happened and particularly after the "inexplicable U.S. attitude," Latin America must think a lot about the need to deepen and strengthen the unity and integration of the continent. Further, Latin America must review its international relations, their protection and handling. He added that if the Latin American countries have understood that the mechanisms of collective security have been weakened by the U.S. stand, then "we must seriously think about the future of our common defense."

The Venezuelan president said that he has informed U.S. officials with whom he has spoken that Latin Americans see the British aggression against the Malvinas as an abuse. "It is an abuse that the United Kingdom is carrying out an undeclared war against Argentina and that to fight Argentina, the United Kingdom has to seek the help of the foremost power of the world. I believe this is something which affects Latin Americans a lot and must give the United States pause because if its closest ally needs U.S. aid to fight Argentina, what would the UK need to fight nations that are better prepared militarily? he concluded.

Argentina Requests Support

PY090543 Paris AFP in Spanish 0238 GMT 9 May 82

[Text] San Jose, 8 May (AFP) -- Venezuelan Defense Minister Bernardo Leal revealed here tonight that Argentina has requested material help from Venezuela and that the Venezuelan Government is studying the request. The minister, who was one of the members of his country's presidential delegation which today attended the Costa Rican president's inauguration, said before returning to Venezuela that Argentina has not asked for arms but for logistics support, fuel and spare parts.

On the other hand, Leal said that the British decision to extend the blockade on Argentine military planes and ships to 12 miles off the mainland coast is part of the pressure applied by the British Government, which wants to settle the dispute based on its own conditions.

He said: This escalation is being analyzed by many governments which are trying to find a peaceful solution to the conflict, as is the case of the Venezuelan Government.

Leal also said that there is "enough ground" to invoke the Inter-American Reciprocal Assistance Treaty (TIAR) but that the vote within the OAS has not been as unanimous as expected. He remarked that particularly the United States is in a difficult position because it is involved in two treaties with the two parties in conflict and because its stand is different from that of the majority of Latin American nations.

When asked about possible repercussions of the Malvinas crisis as regards the Venezuelan claim over Essequibo, a territory which represents two-thirds of its neighbor Guyana, he said there would be no repercussions. However, he admitted that upon the expiration of the Port-of-Spain Treaty -- which maintained the present territorial division for 12 years -- in July 1982, "a revision of the situation will have to be made." The minister stressed that his country is searching for a peaceful settlement, but that the possibility of a millitary action is not ruled out in the Essequibo case.

Authorities Meet With Envoys

PA072154 Paris AFP in Spanish 1856 GMT 7 May 82

[By Julio Manuel Roa]

[Excerpts] Caracas, 7 May (AFP) -- Yesterday Venezuela became a sounding board in the conflict regarding the Malvinas Islands when the ambassadors of Great Britain, the United States and the USSR held separate meetings with President Luis Herrera Campins and with Gonzalo Garcia Bustillos, secretary general of the presidency. According to analysts, Venezuela reiterated to the diplomats its irreversible support for Argentina's just anticolonialist cause in its conflict with Great Britain over the Malvinas Islands and called for an end to hostilities in the South Atlantic region.

The president met with British Ambassador Reginald Seconde, while Garcia Bustillos received, also in the Miraflores Palace, U.S. Ambassador William Luers and Soviet Ambassador Vayno Vyalyas. The talks dealt with the Malvinas issue. After the meeting with Herrera Campins the British diplomat said that his government is interested in reaching a negotiated solution to the South Atlantic conflict, although he said that there are problems which "were discussed with the president."

The ambassador feels that relations between Great Britain and Venezuela have not been affected by his country's dispute with Argentina. He said: "I can say that it was a constructive and cordial meeting and I hope it will help to strengthen the ties between our two countries."

The Soviet ambassador to Venezuela outlined his government's position in the following terms: "The USSR feels that all situations of conflict, all disputes, should be resolved by peaceful means at the negotiating table." He then expanded on his statement by saying that "the USSR maintains very successful economic and commercial relations with Argentina and there are corresponding cooperation agreements between our two countries."

Vayno Vyalyas noted that recently "a bilateral trade protocol between our country and Argentina was extended until 1985 and this is urgent in the framework of the military agreement of economic and commercial cooperation." [sentence as received]

Observers feel that Venezuela's attitude in the Anglo-Argentine conflict has earned points for Luis Herrera's Social Christian government. Jose Vicente Rangel, socialist Parliamentarian and a leftist candidate, confirmed this belief by his presence at Miraflores yesterday. Rangel said that the Venezuelan Government's position on the Malvinas conflict is "just and correct" although he added that it "should be strengthened by a broad national consensus."

CANDIDATE URGES LA UNITY AGAINST BRITISH

PA081750 Havana International Service in Spanish 0000 GMT 8 May 82

[Text] The presidential candidate of the Alternative Front Movement and the Communist Party of Venezuela, Jose Vicente Rangel, declared that the Venezuelan Government must adopt a foreign policy to rapidly promote Latin American unity in the face of the British aggression against Argentina and Latin America.

POLICE ARREST NATIONAL 'RED FLAG' DIRECTOR

PA071645 Madrid EFE in Spanish 0156 GMT 7 May 82

[Text] Caracas, 6 May (EFE) -- In an operation designed to smash the only guerrilla group left in the country, police arrested three members of Red Flag, one of them supposedly the ideologist of the armed organiztion. In a statement published in the local press today, Fermin Marmol Leon, chief of the Directorate of Intelligence and Prevention Services (DISIP), reported the arrest of Armando Diaz Sevilla, national director of Red Flag and presumably liaison between this group and international terrorist organizations.

Diaz Sevilla was arrested with Fernando Paredes, caretaker of the premises raided by the DISIP. Eduardo Jesus Machado, accused of being responsible for the clandestine Tito Gonzalez Heredia student front, was arrested in a separate, simultaneous raid.

Marmol Leon said that in both raids the police seized documents of the Red Flag's political committee and of the Americo Silva guerrilla front, the armed branch of the group, in addition to a war bulletin in which the organization took responsibility for the death of a cattleman on 14 March 1980.

According to the police, Diaz Sevilla has a long record in subversive activities, starting in 1962 when Venezuelan guerrilla activities reached their peak. He was involved in a mass escape of prisoners from San Carlos Garrison, Caracas, in February 1975 and since 1978 has been a member of Red Flag's national directorate, coordinator of the popular struggle committees, a legal department of the group, and of the organization's newspaper QUE HACER.

With the arrest of Diaz Sevilla, the government chalks up an important success, although it has on several occasions announced that subversion has been dismantled. Prior to the capture of the Red Flag ideologist, the police had captured Gabriel Puerta Aponte, leader of the group, together with all the leaders of the group in Caracas, in what was described by the police as "the beginning of the end for subversion" in this country.

DE LA MADRID PROMISES 'BROAD DECENTRALIZATION'

FL072310 Mexico City NOTIMEX in Spanish 2230 GMT 7 May 82

[Text] Mexico City, 7 May (NOTIMEX) -- Miguel de la Madrid Turtado today announced that if he becomes president of the nation he will carry out a broad decentralization which will return to municipalities all powers to which they are entitled by the constitution. The presidential candidate of the PRI stated that this decentralization will encompass every government level and all economic and social activities nationwide.

He said that his decentralization will be carried out simultaneously with the fiscal reform in order to attain a democratic balance in the sharing of state income among the federal, state and municipal governments, thus strengthening the latter's decisionmaking powers.

The PRI candidate announced that he will do everything in his power to encourage the awareness of the people so that they will oversee their representatives and leaders and hold them accountable for their actions.

De la Madrid emphasized that he will analyze the current powers of the federal government to properly establish those powers which have to be reassigned in order to achieve a balanced government.

He warned that his will require reforming, not only the general national constitution, but also the constitutions of the states and the laws and regulations applicable to municipalities. He pointed out that this effort will also be directed against municipal fragmentation.

He said that more than half of the municipalities are concentrated in only five of the states while these five states and ten others encompass more than three quarters of the muncipalities. He explained that this fragmentation precludes a balanced development and the transfer of responsibilities which must be handled by the muncipalities in the future.

In this regard he said: "We reject centralized and technocratic planning because it leads to injustice and inequality." De la Madrid said that his decentralization program provides for the dispersion of government organizations which implies mass transfers of not only offices but also bureaucratic personnel.

PRI's presidential candidate asked the news media to participate in a responsible manner in shaping and ensuring the permament participation of public opinion and explained that through this the government will strengthen local news media, meaning press, radio and television.

He added that "each community will have to have its own news media to voice local public opinion on politics, economy and local culture."

During his speech to the federation of Mexican lawyers, De la Madrid also announced a project aimed at setting up "cross-country [transversales] communications channels since they are required for development and set up the basic for decentralization." He said that they would allow regional exchange without the need to go through the center of the nation as is the case now.

De la Madrid added that yet another effort will be educational and cultural decentralization which initially means that states and municipalities will take care of primary and high-school education within their own jurisdictions.

COSTA RICA

INCOMING OFFICIALS EXPLAIN EMERGENCY PLAN

PA080020 San Jose Radio Reloj in Spanish 1730 GMT 5 May 82

[Text] The emergency plan to be implemented by the next administration was explained this morning to labor, teacher, student and community leaders of various political persuasions by high-ranking officials of the next administration in the auditorium of the National Insurance Institute. The main priority of the future emergency plan will be to stabilize the rate of exchange of the dollar in order to get rid of speculators, Guillermo Sandoval Aguilar, future labor minister, said.

The future minister said that for reasons of strategy, the measures to be adopted by the Central Bank in this area will not be released because this would alert a few millionaries who are getting richer every day by speculating with U.S. currency.

Marco Antonio Lopez Aguero, the future minister of economy and commerce, said that the measures to be adopted within the emergency plan, which will be applied, not for 100 days as the press has reported, but for 4 years, are designed to defend the standard of living of workers, especially those of lower income. The minister said the future administration will not continue the policy of subsidies, which only deceives Costa Ricans, because it requires the unscheduled disbursal of millions of colones.

VISITING REGIONAL LEADERS ISSUE COMMUNIQUE

PA090451 Panama City ACAN in Spanish 0421 GMT 9 May 82

[Text] San Jose, 8 May (ACAN-EFE) -- The presidents of Costa Rica, Panama, Colombia, Venezuela and Honduras, the premier of Belize and a member of the Nicaraguan Government junta tonight demanded an end to the hostilities in the Malvinas and the elimination of colonialism throughout the world. In a communique issued tonight, the signatories analyzed "the serious crisis in the Malvinas and expressed their desire that hostilities soon be ended in order to make way for negotiations between the parties and to eliminate the remainder of colonialism throughout the world."

The seven Latin American leaders also "expressed their hope that this crisis will be solved by peaceful means, based on the principles and mechanisms established in the UN and OAS charters. In this regard they expressed their support for the UN secretary general's efforts." After ratifying their respect for the principle of nonintervention in the domestic affairs of other nations, the dignitaries condemned terrorism and the arms trafficking. They renewed their will to protest human rights.

The rulers "reaffirmed their unswerving faith in the democratic system of government, based on the development of electoral processes that permit the faithful expression of the people's sovereignty in a peaceful, periodic and authentic way." On analyzing the problems of Central America and the Caribbean, they decided to hold a "multilateral and permanent" dialogue, while condemning "all violence contrary to freedom and law."

With regard to the military issues, the signatories of the communique considered that it was necessary to reduce "military personnel and war materiel to those strictly needed to defend national sovereignty, territorial integrity and to maintain public order." They also say that "existing injustice and social differences contribute to increasing the climate of violence; such differences also hurt individual freedom and the respect for man's dignity."

The heads of state reiterated "satisfaction with the peace proposal submitted by Nicaragua and Panama, as well as those submitted by countries not of Central America, such as Mexico. They give special mention to Honduras' recent proposal, which is trying to focus the problem of peace in the region."

The heads of state also expressed their approval to the new Costa Rican Government for the "establishment of a good will group, formed by representatives of democratic Latin American governments which share those ideals and objectives."

Finally and after stressing the importance of holding meetings at various levels to attain those objectives, the leaders expressed their intention to have their countries participate in events commemorating the bicentennial of Simon Bolivar's birth.

Presidents Aristides Royo of Panama, Julio Cesar Turbay Ayala of Colombia, Roberto Suazo Cordova of Honduras, Luis Herrera Campins of Venezuela and Luis Alberto Monge of Costa Rica as well as Rafael Cordovo Rivas, member of the Junta of the Government of National Reconstruction of Nicaragua, and George Price, prime minister of Belize, expressed their satisfaction with "the acts of democratic reaffirmation held today in San Jose, on occasion of the inauguration of Luis Alberto Monge Alvarez."

NICARAGUAN AIR FORCE DESERTER BACKS PASTORA

PA071700 Panama City ACAN in Spanish 2012 GMT 6 May 82

[Text] San Jose, 6 May (ACAN-EFE) -- Mariano Montealegre, commander of the Nicaraguan Air Force helicopter squadron and a 20 lieutenant in the army when he deserted 6 months ago, has arrived in San Jose to offer his support to Eden Pastora, better known as "Commander Cero." Montealegre said his desertion was justified by the "repression" that prevails in Nicaragua and "the infinite number of problems that the Sandinist junta is creating for the people of Nicaragua." According to Montealegre, the main reason for this state of affairs is Cuba's direct intervention in Nicaragua's political and state affairs.

Montealegre said that "since the orders go from foreigners to the army chiefs, the Nicaraguan people are subjected to unmentionable cruelties." He added: "Nicaraguans are not carrying out the revolution. I repeat, the revolution is being conducted by people foreign to our customs, to our Nicaraguan mentality and to Sandino's legacy."

DEFECTOR HIGHLIGHTS CUBAN INFLUENCE IN NICARAGUA

PA081745 San Jose LA NACION in Spanish 30 Apr 82 8A

[Text] Miguel Urroz Blanco, former chief of Nicaragua's internal order police, has said that the present Nicaraguan process is following a Cuban-Soviet line in which "a suggestion made by the Cubans is an unbreakable order." The former official is in Costa Rica to join Eden Pastora in his struggle to overthrow the nine commanders who currently govern Nicaragua. Urroz and Pastora accuse the commanders of having betrayed the Nicaraguan revolution.

Nicaragua's internal order police is a professional repressive corps in charge of supervising the conduct of the militias. It is under the direct authority of Tomas Borge, minister of the interior and founder of the FSLN. Urroz confessed that at least 50 members of that police force persecuted Miskitos and burned and otherwise destroyed their property on the Atlantic coast to force them to resettle in another area and to undermine their strength.

Urroz Blanco was a member of Nicaragua's general staff and was national chief of supplies and services of that military body. He also served as national information and analysis chief and, after extensive studies in Cuba, he worked with the high command of the Sandinist police.

Urroz said that he began to note the deviation of the Nicaraguan revolution most clearly when he received documents in which the main Nicaraguan leaders indicated that they would follow a Cuban-style policy. He said that circulation of these documents was restricted. He felt that "if I continued to support this system, I would become an accomplice in the betrayal of all the people who fought together to overthrow Somoza."

Urroz held a news conference yesterday in which he expressed his opposition to the existence of a Nicaraguan police state, in which "we all spy on one another. I am opposed to the abuses, arbitrary actions and even crimes that the nine commanders who have betrayed my people are committing," he said.

Urroz said that he is supporting Eden Pastora "because he is a man who, throughout a life of struggle, has lived up to his sound nationalistic principles with honor, courage and determination." He added that he has been sentenced to death because he is feared and because [the Sandinists] believe that his ideas will be silenced in this manner.

Urroz reported that some days ago, the present Nicaraguan rulers spent a great deal of money to stage a demonstration against Eden Pastora, during which they burned Sandinist militants' idenitification cards, which were signed by the famous commander Cero. He said that many of those who did not wish to destroy those cards publicly are now in jail, where they are subjected to repression and their basic rights are being violated. He defined himself as a revolutionary, nationalistic and democratic Sandinist who will not rest until he has uprooted the dictatorship of the "traitors in power."

Urroz expressed the opinion that most Nicaraguans are aware of Pastora's dissident position, and they support him. "The information is transmitted by word of mouth because, as is well known, there is no freedom of the press under that totalitarian regime.

Urroz said that the agrarian reform program begun by the Nicaraguan rulers "is deceitful" because "the peasants are given a document which states that the land is only loaned to them; they are pressured by means of the prices on their products and are forced to sell according to the dictates of the state. "A number of measures have been adopted in Nicaragua to keep people quiet. Anyone who does not follow the commanders' ideas is crushed. However, not even this will be able to keep the people from being liberated," Urroz said.

He also said that Nicaraguans are restless, even at night, because "they do not know at what time they will be taken from their homes." Urroz said that it is possible for Pastora's forces to triumph in Nicaraguan, although he explained that "no movement is carried out overnight."

He said that his compatriots are ready to answer the call of the new group and "many of our companeros are prepared to fight." Urroz also reiterated that the nine commanders who are governing his country want to convert Nicaragua into a soldier of the USSR. He said his group will oppose this by force of arms.

EL SALVADOR

MAGANA SPEAKS OUT AGAINST DESTRUCTIVE FORCES

PA081504 Panama City ACAN in Spanish 2109 GMT 7 May 82

[Excerpt] San Salvador, 7 May (ACAN-EFE) -- Alvaro Magana, provisional president and commanding general of the Salvadoran Armed Forces, said today that there is no room in his government for resentments, revenge, hatred or sectarian positions, but neither will there by tolerance for "destructive forces." Speaking during the commemmoration of "soldier's day," Magana reaffirmed his promise of a government of true national unity, which will permit Salvadorans to live in peace and tranquillity.

"The sector up in arms must understand that its struggle has brought only bloodshed and sorrow to the Salvadoran family; that the people rejected it with their vote," the president affirmed. While the garrisons, military posts and security corps throughout the country celebrate "soldier's day," combined army troops battle the guerrillas in the eastern department of Usulutan, 110 km from San Salvador.

The armed forces there are engaged in a guerrilla hunt operation, which began shortly after the conclusion of operatior "Torola" in the Morazan Department where, according to military reports, some 130 rebels were killed. So far there is no information on the casualties during the first two days of "Operation Duenas," in Usulutan, but a military source said that several small rebel groups had been smashed.

ASSEMBLY DEFINES VICE PRESIDENTS' DUTIES

PA071340 Panama City ACAN in Spanish 0326 GMT 7 May 82

[Text] San Salvador, 6 May (ACAN-EFE) -- The three provisional vice presidents of El Salvador can work together with President Alvaro Magana on plans and programs to define the government's general political, economic and social policies, the Constituent Assembly decreed last night. The decree establishes that the Salvadoran executive branch will be headed by the president, the vice presidents and the ministers and deputy ministers.

Salvadoran vice presidents Raul Molina Martinez of the National Conciliation Party (PCN), Gabriel Mauricio Gutierrez Castro of the National Republican Alliance (ARENA) and Pablo Mauricio Alvergue of the Christian Democratic Party (PDC) may represent the president in activities and missions entrusted to them inside the country and abroad. They will also be empowered to voice at the presidency their opinion concerning draft bills before they are sent to the legislative branch. The vice presidents may also temporarily replace ministers in the case of their resignation, death or absence.

In the same decree, the Constituent Assembly points out that until elections are held, municipal councilmen will be appointed jointly by the president and at least two vice presidents. Other agreements approved by the assembly included a vote of admiration and recognition to the Salvadoran Armed Forces for their constant efforts since their foundation on May 1824 in defense of national sovereignty.

El Salvador commemorated Salvadoran Soldier Day on 7 May. The Constituent Assembly also decreed that 10 May should be declared "day of the Salvadoran mother," abolishing the decree issued by the government of Gen Carlos Humberto Romero in 1977, which assigned the second Sunday of May for this commemoration so that the workers would not enjoy a holiday with pay.

Assembly Supports Argentina

PA081240 Panama City ACAN in Spanish 1315 GMT 7 May 82

[Text] San Salvador, 6 May (ACAN-EFE) -- The Salvadoran Constituent Assembly has issued a resolution expressing solidarity with the Argentine people and government in their struggle for the Malvinas Islands. In the resolution, the legislative body also urges the countries in conflict to seek a peaceful solution and asks the governments of the region to contribute to such a solution. Alvaro Magana Borja, provisional president of El Salvador, has said that his government supports Argentine sovereignty in the Malvinas Archipelago.

ARMED FORCES LAUNCH 'OPERATION DUENAS'

PA072026 San Salvador LA PRENSA GRAFICA in Spanish 6 May 82 pp 3, 29

[Text] A military spokesman revealed yesterday that in the course of "Operation Duenas" the armed forces has surrounded many subversives in Usulutan's mangrove swamps. The spokesman said that the operation was launched in several areas of Usulutan after Operation Torola ended in Morazan.

After the first day of the operation, it is believed that the military have succeeded in uncovering several extremist hideouts; similarly, many extremists are surrounded in the Montecristo mangrove swamp area.

The armed forces press committee said that Operation Duenas was organized in record time and that its basic element is surprise, so positive results are expected throughout the operation. Even though the report does not specify which units are involved in the operation, it is taken for granted that they are squads which are specially trained to fight the guerrillas, backed by the Salvadoran Air Force and the artillery needed to weaken the terrorist positions.

The report does not specify when Operation Duenas will end, but other sources revealed that an official report, providing the most important details, will be issued at the end of the operation.

FMLN EXECUTES INFORMER IN CIUDAD DELGADO

PA071949 San Salvador LA PRENSA GRAFICA in Spanish 2 May 82 pp 3, 20

[Text] Ciudad Delgado officials revealed yesterday that several men carrying different weapons killed Reyes Romero, 35, on Las Animas Street 2 days ago. According to city officials, Romero was in front of the La Asuncion store at 11 Las Animas Street, Paleca neighborhood, at around 1700, when, without a word, several men attacked him and shot him three times. Before fleeing, the men left a handwritten sign on Romero that read: "Executed for being an informer, FMLN. Trials for the war criminals."

Because of the sign, persons who witnessed the killing told the authorities that it was a political crime perpetrated by militants of the clandestine organizations. It was not possible to obtain any information regarding Romero's occupation, address and so forth at the scene of the killing. After the required examination of the corpse by the judicial authorities of Ciudad Delgado, the body was turned over to Romero's relatives.

MANAGUA TELEVISION REPORTS ON FMLN ACTIVITIES

New President Criticized

PA071519 Managua Sistema Sandinista Television Network in Spanish 0200 GMT 5 May 82

[Text] In El Salvador, FMLN squads fiercely attacked government troops and conducted other revolutionary activities. The popular fighters attacked military posts and other key areas in Suchitoto and San Jose Guayabal, north of San Salvador, as well as in San Martin. Other squads entered Lolotiquillo, 5 km northeast of San Francisco Gotera, where they belew up two water pipelines. Meanwhile, the armed forces called off an unsuccessful 10-day operation in Morazan Department today, after suffering numerous casualties. Supported by planes and gunfire, 4,500 soldiers unsuccessfully attempted to dislodge the FMLN from its positions. Hundreds of soldiers were killed or wounded. The soldiers were forced to withdraw in disgrace.

In San Salvador, (Andres Flores), a spokesman of the legal office of the Salvadoran archbishopric, said that the new president, Alvaro Magana, represents the interests of the armed forces and the big capitalists, and consequently, more repression is expected during his term.

Army Casualties Reported

PA071449 Managua Sistema Sandinista Television Network in Spanish 0200 GMT 6 May 82

[Text] In El Salvador, the FMLN reported inflicting casualties on government troops and recovering a large quantity of arms and munitions during actions in Morazan Department.

The FMLN said the army suffered 211 casualties while the rebel forces captured 44 submachienguns, 4 grenade launchers, an M-60 machinegun and a 90 mm cannon. Radio Farabundo Marti, meanwhile, reported that over the past weekend, Honduran soldiers caputred and killed four Salvadorn refugees who tried to return to their country.

Meanwhile, the president imposed by the U.S. Embassy, Alvaro Magana, swore in the 20 ministers of the new cabinet today, some of whom had held similar posts during the previous regime.

RADIO VENCEREMOS REPORTS ON FMLN ACTIONS

Attacks Army in Morazan

PA062225 (Clandestine) Radio Venceremos in Spanish to El Salvador 0230 GMT 5 May 82

[Text] Our revolutionary army has defeated the dictatorship's military operations in Morazan; has hit their rearguard during the abortive Torola operation; has seized arms, ammunition, a cannon and many war supplies; has defended and protected its Radio Venceremos; and is now continuing to hit the enemy in retreat. Here is a war report from the Francisco Sanchez Northeastern Front:

On 4 May, our forces ambushed an enemy convoy of three trucks travelling between the Rio Torola and Llano Algere. On that same day, our revolutionary army attacked enemy positions on Cerro El Tigre, between the Torola bridge and Llano Alegre. This action took place at 1000 hours. We inflicted eight casualties on the dictatorship, counting dead and wounded, and destroyed a military truck.

This action was headed by our companero, Commander (Jimmy). With these eight casualties inflicted on the enemy as he retreated from Morazan, the number of casualties that we inflicted on the army of the fascist government during its unsuccessful Torola operation rose to 166.

GUATEMALA

JUNTA MEMBER ON SUBVERSION, CLAIMS OVER BELIZE

PA090145 Guatemala City PRENSA LIBRE in Spanish 29 Apr 82 p 11

[Text] Col Francisco Gordillo Martinez, communications minister and member of the government junta, said yesterday that the various massacres which have recently occurred in western Guatemala are genocide by the subversives against the people. He said that the insurgents, who are active in various regions, only want to sow uncertainty and anguish among the peasants. They are killing the Indians so that they can make the outside world believe that "the army is responsible for these acts."

"The people already know how the terrorists behave. The army is never going to deceive the Indians or kill them because we know that they represent our identity." Colonel Gordillo noted that the arms aid which the United States may give Guatemala is important because it will allow the army to combat the subversives more effectively.

"A lot of money is invested in weapons," he stressed, "money which should be used for development programs. Unfortunately, the guerrillas are threatening us and we must defend our system as well as bring peace and tranquillity to the Guatemalan people."

Regarding the junta's policy on Belize, Gordillo said that "our country will never stop proclaiming our rights over that area. We feel that Belize belongs to Guatemala and our claims will continue until a solution to the old question is found."

The colonel was asked if the junta will initiate proceedings against those in charge of foreign policy during the Lucas Garcia government, the regime in power when Belize unilaterally declared its independence. Colonel Gordillo responded that one must realize that Belize was and is a British colony and that the United Kingdom is a powerful adversary. The British have always considered Guatemala a weak country and therefore, they pressed for Belize's unilateral independence. Nevertheless, he said, we will not cease our claim.

FIERCE FIGHTING WITH GUERRILLAS REPORTED

PA092016 Havana International Service in Spanish 1600 GMT 8 May 82

[Text] Guatemalan dispatches have reported that fierce fighting ensued between a guerrilla command and forces of the regime in San Pedro Necta. This resulted in an unspecified number of dead and wounded. According to the sources, the fighting began when army units arrived at a site where the guerrillas were reporting on their struggle to residents of San Pedro Necta after occupying the town.

Meanwhile, another guerrilla group attacked the police station in Tucuru where the deputy chief was wounded, while other groups seized San Andres Villa Seca. Four members of the Poor People's Guerrilla Army [EGP] burst into Radio Rumbos in Guatemala City and aired an EGP document.

For their part the Guatemalan rebel armed forces charged that the army of the military junta recently murdered 100 people in Palestina, in El Peten Department. This organization, which is a member of the Guatemalan National Revolutionary Unity, noted that after the killing, which occurred on 29 April, the regime's army forced the survivors to bury the victims in large graves and later blamed the guerrillas for these deaths. The source added that 9 days before, government forces had entered (Josefinos), also in El Peten, massacring the people there who made up 600 families. The number of dead persons is still unknown.

URNG ACCUSES JUNTA OF WAGING GENOCIDAL CAMPAIGN

PA071845 Managua Domestic Service in Spanish 0600 GMT 6 May 82

[Text] The Guatemalan National Revolutionary Unity, URNG, has denounced to world public opinion the barbarous genocide that the coupist junta, with the support of the U.S. Government, is carrying out against the Guatemalan people.

The URNG said that the military junta that took power in Guatemala in the wake of the 23 March coup has launched a campaign to exterminate the population in extensive sectors of western and northern Guatemala. The razing of villages and hamlets and the burning of woods and planted fields have forced thousands of peasants to seek refuge in the mountains and in neighboring towns. This is the result of the mass extermination campaign launched by the Guatemalan coupist junta, the URNG emphasized.

ARMY TELLS PRESS TO USE TERM 'TERRORIST'

PA081534 Paris AFP in Spanish 0410 GMT 8 May 82

[Text] Guatemala City, 7 May (AFP) -- It was reported today that the Guatemalan Army has asked the news media to stop using the term "guerrillas" and instead to use "terrorists" or "subversives." In a letter addressed to newspapers and radio and television stations, the army asked them to neither "give importance nor downplay all the actions" of the guerrillas whose activity has increased in recent months despite the government's appeal to lay down their weapons. In the letter, which was dated 26 April but not sent to the press until yesterday, Gen Hector Mario Lopez Fuentes, Chief of the Army General Staff, made suggestions on press handling of this information.

It suggested: 1. Describing the communist individuals who operate as such as "terrorists" or "subversives," and to avoid calling them "guerrillas."

2. Not mentioning the complete name of the communist organizations which operate in the country: just their acronyms should be used; EGP (Poor Peoples Guerrilla Army), ORPA (Armed Peoples Revolutionary Organization), FAR (Revolutionary Armed Forces) and so on.

3. Not giving importance or downplaying all the actions carried out by those organizations.

According to the army, this "will greatly help to destroy" the rebel groups. In his letter to the press, General Lopez Fuentes noted that "despite the fact that it is a great power, the United States was defeated in Vietnam by the ideological war. Generally, without realizing it, we are used by communism as a means of free propaganda," Lopez Fuentes stated as he requested the cooperation of the press "so as not to take up communism's game."

Meanwhile, two trucks and a gasoline station were burned last night by "armed men." These are actions that guerrilla groups usually carry out. The trucks, each of which was carrying 500 quintals of soybean flour, were intercepted in kilometer 35 of the highway to the Pacific, in southern Guatemala.

The drivers and their assistants recounted that some inflammable material was thrown on the trucks after they were placed across the highway to block traffic. Almost at the same time, a gasoline station located in downtown Guatemala City was burned by a group of armed men and women. There were no victims in these actions.

'AIDE' TO U.S. CONGRESS DENIED ENTRY TO COUNTRY

PA082220 Panama City ACAN in Spanish 2128 GMT 8 May 82

[Text] Guatemala City, 8 May (ACAN-EFE) -- Immigration authorities have denied entry into Guatemala to politician Evelio Estrella, U.S. Congressional aide for Central American affairs, it was learned here today. Reliable sources said that Estrella was coming to Guatemala City from El Salvador to hold a news conference in which he was going to denounce five Russian spies who had entered Guatemala. The sources added that Estrella said he had documents to prove that five communist spies entered Guatemala and that one is posing as a journalist.

Estrella was interviewed at the Guatemala City international airport by a television reporter, whom he told that he was intercepted by Guatemalan security agents who broke into his luggage and seized five passports of citizens from this country. Estrella said that the security men also confiscated a secret document from him. Gen Horacio Maldonado Schaad, member of the military junta and government (interior) minister, told the press that "if the government instructed the immigration authorities not to permit Estrella's entry to Guatemala, it is because it had valid reasons to do so, because nothing is done without good reason."

More on Exclusion

PA081433 Guatemala City Radio-Television Guatemala in Spanish 0400 GMT 7 May 82

[Text] (Fernando Lopez Santizo), assistant general director of the Immigration Department, reported that Evelio Estrella, a U.S. citizen of Cuban descent, was expelled from this country this morning. Estrella had just arrived in Guatemala last night. [Begin (Lopez) recording] As you know we have land, sea and air checkpoints to control who enters and leaves the country. Estrella arrived last night and left this morning. This action was taken following orders from above.

[Question] Who gave the orders?

[Answer] As you know, the Immigration Department is a dependency of the Interior Ministry and orders from above either come from the ministry or the government military junta. [end (Lopez) recording]

Evelio Estrella, who claims to be a U.S. Congressional candidate said a few days ago that a member of a group of Soviet newsmen visiting Guatemala was on a mission of espionage. Interior Minister Horacio Maldonado Schaad did not give any credence to Estrella's accusations:

[Begin Maldonado recording] Estrella should have made those accusations before. Why did he wait until the newsmen had left the country? If he is referring to the Soviet newsmen, they were authorized to visit the country. There is no reason to prohibit anyone from entering our country, especially if they do not cause any problem or affect our interests.

[Question] According to Evilio Estrella he had five photocopies of five passports, apparently one of which showed that one of the newsmen was a spy, a communist agent. [Answer indistinct] [end Maldonado recording]

MILITARY JUNTA TO DISMISS SUPREME COURT JUSTICES

PA080258 Guatemala City Radio-Television Guatemala in Spanish 0400 GMT 7 May 82

[Text] It was learned today that the reorganization of the Supreme Court of Justice announced by the military junta anticipates the dismissal of the justices of the Supreme Court. In the meantime, the replacement for Chief Justice Carlos Enrique Ovando Barillas still has not been appointed.

CAMPAIGN CONTINUES AGAINST OFFICIALS' CORRUPTION

PA080442 Guatemala City Radio-Television Guatemala in Spanish 0400 GMT 7 May 82

[Text] Since the coup, a total of 28 members of the National Police have been arraigned on charges of assault, battery, robbery, homicide and rape. The new director of the National Police is one of the new officials interested in enforcing the campaign against administrative corruption. Meanwhile, it was learned that (Jorge Ernesto Tirado), governor of Totonicapan Department, was dismissed.

HONDURAS

COLOMBIAN SENATE DELEGATION ARRIVES FOR VISIT

PA081705 Panama City ACAN in Spanish 1931 GMT 7 May 82

[Text] Tegucigalpa, 7 May (ACAN-EFE) -- A Colombian Senate delegation arrived in Honduras to promote the creation of the "Caribbean parliament." Jorge Tadeo Lozano, Colombian Senate vice president, heads the delegation which met with the president of the Honduran Congress of Deputies, Efrain Bu Giron last night.

At the end of the meeting, the South American legislator said, "there is a positive response to the creation of the 'Caribbean parliament,' which will be designed to unify the countries of the region, so that we stop jumping to other continents, as we have been doing, in search of cooperation and support."

The president of the Honduran Congress voiced his approval of the visiting delegation's proposal, and agreed to participate in the preparatory session of the "Caribbean parliament," to be held in Cartagena, Colombia, on 20 May.

FRIENDSHIP GROUP DENOUNCES PASTORA'S PRESENCE

PA081523 Paris AFP in Spanish 0030 GMT 7 May 82

[Text] Tegucigalpa, 6 May (AFP) -- The presence of Eden Pastor, now a Nicaraguan opposition leader in Honduras, was denounced today by the Honduran Council for Peace and Friendship with Nicaragua (COHPAN). Pastora met here with Honduran, U.S. and Chilean military officers and visited the Miskito Indian camps on the Honduran Atlantic coast, where some 10,000 refugees live after leaving Nicaragua, according to the committee.

Pastora, former Nicaraguan defense vice minister, broke with the Sandinist regime on 15 April during a news conference held in Costa Rica, when he announced his decision to overthrow the nine commanders that head the Sandinist front. COHPAN's charges note that Pastora met with Chilean military adviser, Colonel Letellier, as well as with Major Cross of the U.S. Army, and with Honduran Col Wilfredo Sanchez, in the Gracias a Dios Department, in the far northeast of Honduras, where the Miskito settlements are located. The Sandinist government accused Pastora of organizing an opposition directorate in exile, for the purpose of the future creation of an underground government in Nicaragua. However, this charge was denied by Pastora.

OAS HUMAN RIGHTS DELEGATION ARRIVES FOR VISIT

PA082108 Tegucigalpa Domestic Service in Spanish 1130 GMT 8 May 82

[Text] Representatives of the OAS human rights commission arrived in Tegucigalpa yesterday to view conditions in the refugee camps in Puerto Lempira and (?Mocoron). The delegation is made up of Dr (Luis Demetrio Flores), Mr Manuel (?Velasco) and Miss Cristina Cerna, who will be accompanied on their tour by (Ernesto Aguilar), a Honduran Foreign Ministry official. The visitors will spend 2 days on the tour. It is expected that they will then announce their findings to the Honduran people.

NICARAGUA

DELEGATION WILL PROPOSE U.S. EXPULSION FROM OAS

PA081515 Panama City ACAN in Spanish 1759 GMT 7 May 82

[Text] Managua, 7 May (ACAN-EFE) -- Nicaragua will try to take advantage of the presence of continental leaders in San Jose tomorrow to propose a reorganization of the inter-American system and the expulsion of the United States from the OAS. This information was released to "ACAN-EFE" by Victor Tinoco, Nicaraguan acting foreign minister, who added that "there is a good opportunity in Costa Rica to discuss this matter," as "there is a general consensus to that effect."

Tinoco said "there has been a historic distortion of the Latin American system, due to the exaggerated importance of one of its members with interests that are different and that often contradict the interests of the remaining countries." San Jose will be visited by the chiefs of state of Colombia, Venezuela, Panama, Belize and Nicaragua, besides the foreign ministers of other countries, to attend the inauguration of the new Costa Rican president, Luis Albert Monge.

Tinoco admitted that it is "an undeniable fact" that the economic weight of the OAS has always been carried by the United States, but added that there are regional organizations that do not require a bureaucratic entity or structure that the member countries cannot support, such as the case of the Latin American Economic System (SELA). The delegation to attend the innaugural ceremony is headed by Rafael Cordova Rivas, member of the government junta.

ARCE CHARGES CONTINUING U.S. AGGRESSION

PA092052 Havana International Service in Spanish 0000 GMT 9 May 82

[Excerpt] Commander Bayardo Arce, coordinator of the FSLN Political Committee, has reported that the U.S. plans against the Sandinist revolution are still in progress and because of this hostile policy, the Nicaraguan people are facing greater economic difficulties. In an interview published in this month's PATRIA LIBRE, which is published in Managua, Arce said that the United States played the 'former Commander Eden Pastora card' because it was the only way to keep Washington's aggressive policy against Nicaragua open.

COMMENTARY DEFENDS ORTEGA VISIT TO USSR

PA080035 Managua Domestic Service in Spanish 1200 GMT 7 May 82

[Station commentary: "Nicaragua and the USSR: Relations With New Content"]

[Text] Relations between Nicaragua and the USSR, established, as we said yesterday, on the basis of respect for our sovereignty and independence, have reached their highest level with a visit headed by Commander Daniel Ortega to Moscow and other Soviet cities. These relations are also the culminating moment in the achievement of self-determination, sovereignty and national dignity, without which there would be no such relations, as they in fact did not exist when those principles were missing here in our international relations. However, the meaning of these relations and this visit are not seen in the same way by the enemies of our people who do not believe in the peoples' rights to freely determine with whom and when they establish relations.

Aware of this situation, Commander Ortega said at his meeting with President Brezhnev: We know that the talks and cooperation agreements are seen with suspicion by those selfish sectors which cannot understand the workers' devotion to solidarity in the struggle to defend their freedom and achieve progress and happiness.

That is the voice of experience, which knows the viewpoint of imperialism and of its political servants because, when they were in charge in Nicaragua, they made humiliation and submission norms of conduct. It is the experience of one who knows that not long ago in this country the insinuations and suggestions of certain officials in foreign embassies were slavishly followed by politicians and bourgeoisie alike. It was when every passport was stamped with a prohibition against travelling to any socialist country, a list headed up by the Soviet Union but reduced by ignorance or bad faith, or both, to the limits of the hated Russia, which was written in a deprecatory sense.

Those who dictated the humiliating limitations to the Nicaraguan people and those in the opposition who chorused every anticommunist slogan, accepting as normal the Somozist violations of the right to travel anywhere, must be viewing the talks and agreements between the USSR and Nicaragua with suspicion. In this category of political retrogrades by reason of class, tried by commission for their ideological alientation and because they have brains chained by ignorance, are those who are considering travel to the USSR proof of personal courage, for crossing the iron curtain of anticommunist myth and returning whole, without physical and spiritual mutilation.

In the circles of the asphyxiating ideological schemes of the old delirious classes of landowners and exploiters of every denomination the [short break in transmission] the talks and agreement between Nicaragua and USSR will be one more reason to rarify the additional air they breathe to promote their (?efforts) to recover their lost power. They will want to use it before their master as proof of the deviationism of the revolution.

They are now probably measuring, with the same impartiality they used in measuring their traditional dealings with the sovereignty, dignity and national wealth in exchange for a portion of the economic plunder, a share of power which will permit them to show off the shining livery which imperialism loaned to them as a simbol of their authority.

What has been foreseen by Commander Daniel Ortega is their objective and it corresponds to the self-characterization of the reaction with its submission to imperialism. That is known as knowing on what side your bread is buttered and knowing that a century-old practice of submission and betrayal for generations by the exploiting class which has been displaced from power, will not permit them to clearly view international relations in which prevail the principles of equality and respect among countries with different degrees of development, size and wealth.

In order to understand these new relations in which the bigger one substitutes solidarity with the smaller one for depredation, one would have to change class roots, political ideas and moral conduct. Only then could they understand the spirit of these new relations which are not determined by the appetite for profit and exploitation, but by the humanistic principles and the fraternity of the world's working class.

ITALIAN DELEGATION DISCUSSES AID WITH WHEELOCK

PA072227 Managua Domestic Service in Spanish 0000 GMT 7 May 82

[Text] An Italian Government delegation visiting Nicaragua has met with Commander Jaime Wheelock Roman, minister of agricultural development and agrarian reform, for the purpose of implementing technical cooperation programs the Italian Government has offered to Nicaragua.

The delegation includes (Roberto Palecchi), deputy foreign minister, has said that Italy is in a position to aid in the development of fishing, industry and mining. He said Italy has allocated 4.7 billion lire for this purpose and that the main focus of cooperation has been construction of the Momotombo geothermal plant, Nicaragua's first such plant, which costs $35 million.

In addition the Italian deputy minister said his country is currently prepared to help Nicaragua set up pilot agricultural centers and can help primarily in the development of fishing technology.

The Italian delegation will return home tomorrow.. Its members may hold a news conference at Sandino International Airport before leaving.

On Aid, Falklands

PA091928 Managua Domestic Service in Spanish 0000 GMT 8 May 82

[Text] The technical and financial aid the Italian Government has given Nicaragua since the victory of the Sandinist revolution amounts to about $40 million, Italian Deputy Foreign Minister (Roberto Palecchi) has announced. (Palecchi) concluded a 6-day visit today. According to the Italian official, the aid given Nicaragua has been in the form of financing for the Momotombo geothermal project and for several other programs aimed at achieving the country's reconstruction. (Palecchi) has invited a delegation of Nicaraguan Government officials and private businessmen to make an official visit to Italy to discuss possible forms of cooperation in greater detail.

Regarding Italy's participation in the Momotombo geothermal project, which needs a $35 million investment, (Palecchi), who is also a member of the Italian Socialist party Central Committee, said it is important that other financial institutions participate.

Among these institutions he mentioned the European Development Fund. He also said Italy's cooperation with Nicaragua will extend to the agricultural and industrial sectors and to the areas of professional training and cultural preparation.

During his stay here in Managua, the Italian deputy minister met with junta member Dr Rafael Cordova Rivas; with Commander Jaime Wheelock Roman, minister of agricultural development and agrarian reform; with Julio Lopez, director of the FSLN's international relations department; with Acting Foreign Minister Victor Hugo Tinoco, and with several other ministers.

This morning, shortly before leaving for his country, (Palecchi) discussed the South Atlantic situation with newsmen at Sandino airport. Regarding this issue, the Italian official said: [Begin recording] The Malvinas crisis must be solved peacefully, and that is how it will be solved. Any delay will result in more victims, and the governments causing these delays become responsible for this loss in human lives in the eyes of their countrymen.

The United States is both Argentina's friend and England's ally. In view of this situation, it has found itself in a very difficult situation. It mediated for a negotiated solution but failed. I hope the UN secretary general's mediation succeeds. A solution of this type under his sponsorship would reflect the feelings and desires of all peoples. [end recording]

TIRADO, DELEGATION RETURN FROM VIETNAM VISIT

PA081426 Managua Domestic Service in Spanish 1800 GMT 7 May 82

[Text] On his arrival from Vietnam this morning, Victor Tirado Lopez, commander of the revolution, said this visit brought political and diplomatic support and cooperation. The revolutionary leader said his visit, which lasted several days, was positive and that he believes the solidarity between that fraternal country and our revolution has been strengthened.

Commander Tirado said there are technicians willing to come to our country to participate in our reconstruction as a demonstration of Vietnamese solidarity with the Sandinist revolution.

Commander Tirado Lopez' trip was an exchange of experiences between two countries who face a common enemy.

The following is a statements made by Tirado Lopez concerning his visit to Vietnam:

[Begin recording] it means support, cooperation; cooperation in the military, political, diplomatic and economic fields, because, after all, we are underdeveloped countries and we cannot build up high hopes of highly developed countries, such as imperialist countries, bringing us out of this backward situation.

Above all the visit was an exchange of experiences, which they have had since the victory of their revolution, after the national liberation victory, after their victory against Yankee imperialism. We spoke of the economic achievements. For example, we spoke of the main economic plan in a wartorn country with its industry and agriculture destroyed. We were able to observe how they have rebuilt their economy and how we can assist them; and if time and the development of the two countries permit, then we can have trade exchanges. [end recording]

Even though there were no agreements signed between Vietnam and Nicaragua, it was established that there are Vietnamese technicians willing to help our revolution.

[Begin recording] No, there was no agreement for technical exchange, although they do have some technicians who are willing to come to this country at any time. This was not the reason [for the visit]. We had another reason: We wanted to learn about their experience in agricultural and industrial development. They told us they are willing to train some technicians in the agricultural field. [words indistinct] acceptable at any time because [they can help us], for example, in rice production and in other economic branches that we cannot develop here because of certain factors such as climate, soil and so forth.

[Question] What types of products would be involved in this trade?

[Answer] We did not discuss any products because we really can't trade coffee for coffee [words indistinct] but we could have trade exchange according to how the situation evolves. Today their technology is greater as far as production of tea, rice or any other agricultural product that could [words indistinct]. [end recording]

REGIONAL ENVOYS REITERATE SUPPORT FOR ARGENTINA

PA072307 Managua Domestic Service in Spanish 0000 GMT 6 May 82

[Text] Twelve Latin American ambassadors accredited to the government of national reconstruction met this afternoon at the Foreign Ministry with Acting Foreign Minister Victor Hugo Tinoco. According to Tinoco, the meeting was called to exchange opinions on the crisis currently affecting the South Atlantic because of the British colonial agression against the Republic of Argentina. Tinoco said Nicaragua has expressed the need to create a Latin American system that would respond to the needs of our peoples, a system that would remove the ballast that the weight of a superpower such as the United States represents as a member of an organization such as the OAS, whose membership includes countries that are economically and politically different.

Tinoco said unanimous solidarity with the Argentine cause in its struggle against British colonialism was demonstrated at the meeting. Tinoco made the following remarks:

[Begin recording] The Nicaraguan Foreign Ministry believed it was important to call the Latin American ambassadors to a meeting to exchange opinions and viewpoints on the crisis currently affecting the South Atlantic because of British aggression, a colonial aggression against the Republic of Argentina.

The problems generated by this crisis involve not only military actions but also another crisis: The awareness that it is causing within the inter-American system the need to take firm steps to consolidate and restructure the system so it will truly respond to the needs of Latin Americans.

Long before the Malvinas crisis erupted we, the Nicaraguan revolution and the Nicaraguan revolutionary government, said that there was a need to create an inter-American system that would respond to the needs of the Latin American countries and remove the ballast that the weight of a superpower such as the United States represents as part of an organization whose membership includes countries that not only have cultural differences but also economic and political differences.

At the St Lucia meeting and during the recent OAS meeting we pointed this out. We reiterated this during the opening meeting of the 20th OAS consultative meeting, and in view of the crisis we repeated this today to the ambassadors.

We believe the results of the meeting were positive. All the ambassadors, without exception, reaffirmed their support for the Argentine cause, for Argentine sovereignty over the Malvinas. Many ambassadors strongly repudiated the British actions and, in various tones, the representatives of the Latin American countries accredited in Nicaragua said they were working for rapprochement and solidarity with the Republic of Argentina.

To summarize the meeting, there was group reaffirmation by the Latin American diplomatic corps accredited in Nicaragua of support for the Argentine claim of sovereignty over the Malvinas. [end recording]

WHEELOCK DISCUSSES AGRARIAN REFORM, GOALS

PA092151 Managua Domestic Service in Spanish 0000 GMT 9 May 82

[Text] Commander of the Revolution Jaime Wheelock Roman, minister of agricultural development and agrarian reform, told this station today that 50 percent of Nicaragua's arable land will be in the hands of small and medium-sized producers who make up the cooperatives. This is how, he said, the agrarian reform policy promoted by our revolution will be carried out.

By fulfilling the agrarian program, which consists of giving the land to those who work it, the distribution will appear as follows: 50 percent will go to the small and medium-sized producers, 30 percent to the private sector and 20 percent to the state. He added that with this plan we will try to reach two goals: solving the historical problem on the distribution of the land for the peasants, and achieving greater production.

Here is Commander of the Revolution Wheelock Roman with more details:

[Begin recording] [Wheelock Roman] In sum, we have organized 20 percent of Nicaragua's land, 20 percent of the available and arable land. The rest will be for the private and cooperative production. We are promoting a policy which allows the small producers organized in cooperatives to have the largest possible share of land. We think that Nicaragua's land must be distributed among the state, the cooperatives, the small producers and of course, some large private producers which will have a large share of available territory. Therefore, we say that when we finally complete the agrarian reform, 25 or 30 percent of the land will be in the hands of the large private producers, 20 percent in the hands of the state and the rest in the hands of the cooperatives and small producers.

[Question] Is this the new policy of the agrarian reform?

[Answer] Yes, it is the agrarian reform policy which is better defined now.

[Question] What goals will be reached?

[Answer] Goals?

[Question] Yes, what does the future hold for it?

[Answer] We have two goals: 1, Solving the historical problem of land for the peasants and 2, production. Up to now, the experience we have had is that the country's production has increased. [end recording]

'IMPERIALISTS' USING FALKLANDS AS TESTING GROUND

FL071350 Havana Domestic Service in Spanish 1145 GMT 7 May 82

[Revolutionary Armed Forces and Interior Ministries combatants' political information program commentary]

[Excerpts] Imperialism is using the war between Great Britain and Argentina over the Malvinas as a testing ground for new and sophisticated weapons. But, though NATO experts view this confrontation as one valuable means to test weapons, the hundreds of dead caused by the conflict are an indication of the additional sinister objectives of this war, which is being waged under unequal conditions between an imperialist, colonial power and a developing country.

If we add the intelligence provided to the British fleet by U.S. satellites, Washington's economic, political and military support for London and the measures adopted by other NATO members against Argentina, we can clearly see that imperialism is merely testing its might against the underdeveloped world on a small scale. Perhaps it anticipates subsequent confrontations from which to plunder and win bigger spoils.

That is why the peoples of the world must unite against the military abuses of the imperialists. That is why voices are raised all over Latin America to condemn the British aggression and Washington's open support. As the Cuban revolutionary government's statement said, the aggression must be stopped and right must be made to prevail.

COMMUNIQUE ISSUED ON POLISARIO LEADER'S VISIT

FL071134 Havana Domestic Service in Spanish 1033 GMT 7 May 82

[Text] A joint Cuban-Saharan communique has been issued in Havana on the occasion of the visit to our country of Comrade Mohamed Abdelaziz, secretary general of the Polisario Front. The communique states that the Cuban delegation hailed the heroic and steadfast struggle of the Saharan people to consolidate their independence under the leadership of the Polisario Front. The Cuban delegation also stressed the important role they played in the liberation, anti-imperialist struggle in North Africa.

The Saharan delegation manifested its admiration for the revolutionary struggles of the Cuban people and the heroic traditions of more than 100 years fighting for their freedom. The Saharan side highly valued the Cuban revolution's significance and hailed its unflinching anti-imperialist stance as well as its solidarity with the peoples' emancipation struggle for national liberation.

The Cuban-Saharan communique states that the two sides examined the main aspects of the present international situation as well as the status of the peoples' revolutionary struggle in Latin America, the Caribbean, Africa and the Middle East. They condemned the warmongering and adventuristic character of the U.S. Government's imperialist policy, the intensification of the arms race and increased military budgets.

The two delegations highlighted the importance of the Nonaligned Movement and its influential role in the international arena. They stressed that the movement's success in the years past is evident proof of the relentless advance of the peoples in their struggle against imperialism, colonialism, Zionism and racism.

JAMAICA

GOVERNMENT PLANS EXPANDED INFORMATION SERVICES

FL302247 Bridgetown CANA in English 2210 GMT 30 Apr 82

[Excerpts] Kingston, Jamaica 30 Apr (CANA) -- The Jamaica Government is to pay greater attention to how news about the country is disseminated overseas, the island's minister of state for information, Mike Henry, has said. Mr Henry made the remark during an address to open a board of directors meeting of the CARIBBEAN NEWS AGENCY (CANA) here today.

"Today, when the eyes of the world are on Jamacia, it is important that the right news is disseminated, or not distorted," Mr Henry said. Among the plans proposed by the government is improvement of the national news agency, JAMAICA PRESS (JAMPRESS), which operates within action of NATIONAL INFORMATION SYSTEMS -- ASIN. Following Michael Manley's election defeat in 1980, the Edward Seaga administration suspended the functions of JAMPRESS. The agency operated as an arm of the Jamica Information Service (JIS), formerly the agency for public information.

CANA Role

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[Excerpts] Kingston, Jamaica 30 Apr (CANA) -- The board of directors of the CARIBBEAN NEWS AGENCY (CANA) met in Kingston today to discuss a major expansion programme for the service, to be funded initially through a 1.2 million-dollar (U.S.) grant from the United Nations Education Scientific and Cultural Organisation (UNESCO).

Speaking at the start of the meeting, the UNESCO representative to the Caribbean, Hugh Cholmondeley, disclosed that the upgrading plans called for CANA to introduce specialized economic and financial and agricultural commodities services as well as a section for providing recorded material for broadcasting systems. The agency will also eventually establish a French and Spanish language service.

Mr Cholmondeley said that the money for the project would come through UNESCO's funds-in-trust agreement with West Germany, and the U.N. agency will provdie CANA with "all the training and administrative back-up". He saw his agency's assistance to CANA as part of UNESCO's efforts to help developing countries to establish mechanisms to increase information flows among themselves and adjust the imbalance between the North and the South.

Ken Gordon, the CANA board chairman, said that the agency would seek the "speedy and successful implementation" of the programme, noting that an expansion service beyond the English-speaking Caribbean would increase the wire service's potential audience from six million to more than 20 million people. He noted UNESCO's preliminary work that helped in the creation of CANA, which he said had grown into an "ingenious, independent service."

"Whatever the current rhetoric of the North-South dialogue, whatever the controversies concerning the UNESCO," CANA would continue to owe the United Nations agency a "debt of gratitude," Mr Gordon said.

The German ambassador here, Mr Karl Leuteritz, said his government's association with the project was an expression of Bonn's understanding of the need to redress the "lopsided nature" of information from Third World countries. But he said Bonn did not believe that such could be achieved through government's taking greater control of information, which would mean "replacing one lopsided flow with another lopsided flow." There was a need to develop independent services within a Third World context, Dr Leuteritz said.

SEAGA: WILL NOT ALLOW U.S. MILITARY BASE HERE

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[Text] Kingston, Jamaica, 7 May (CANA) -- Prime Minister Edward Seaga has told Jamaicans he has no intention of allowing the United States to establish a military base in this country in exchange for Washington's generous economic assistance to this Caribbean island.

Mr Seaga was speaking in Parliament against the backdrop of a recent statement by the island's opposition leader Michael Manley that the economic model being pursued by the Seaga government, with the emphasis on deregulation and the need for private foreign capital, had implications for the independence of Jamaican foreign policy. There would be a de-nationalisation of the decision-making process, Mr Manley had argued.

Mr Seaga rejected these assumptions, and described as a "God Send" the U.S. Caribbean Basin Initiative (CBI), under which President Reagan intends to give increased trading opportunities to the region and encourage U.S. companies to invest.

Jamaica, the prime minister said, had to trade and borrow somewhere, and it had utilised the facilities similar to the CBI trade arrangements under the Lome Convention without locking itself into the economies of the European Community. The myth that assistance from the United States would carry political strings had given currency to the suggestions that a military base would be set up here, he said.

Declared the prime minister: "Jamaica has never had any discussion with any foreign government since this government has been in office for a military base to be established in Jamaica... Jamaica ceased to be a base when we ran the Cubans out of here." Mr Seaga severed diplomatic relations with Cuba late last year.

The prime minister again defended the structural adjustment programme being implemented by the administration to gear production here largely towards export. He said that should the opening ofthe economy undercut local production, the government would introduce tariff measures to protect local manufacturers.

There was no "wholesale opening up of the economy," Mr Seaga said, for the complete programme was a five-year exercise. Several small and medium-sized manufacturers have been openly sceptical of the government's policies, claiming that they have been opened to competition from cheap products from the industrialised world before they were put in a position to compete.

Mr Seaga said that he would welcome discussions with the opposition on the structural adjustment scheme if it were at one with the government that the country needed to earn foreign exchange of a level that was beyond the capabilities of the bauxite and sugar industries.

The prime minister also re-emphasised that the Jamaican economy had pulled out of its negative slump of recent years. The fact that the economy last year grew by 2.0 and not 3.0 per cent was because of a down-turn in bauxite-alumina and continuing problems with sugar and bananas.

The performance, in light of the problems, enhanced the recovery, Mr Seaga indicated.